Daily Report

Latin America

FBIS-LAT-91-051
Friday
15 March 1991

Daily Report
Latin America

FBIS-LAT-91-051 15 March 1991

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

* Ideology Official on Congress, Other Issues *[Mexico City EXCELSIOR 18-20 Feb]* 1
Mexican Paper Cited on UN Human Rights Decree *[Havana TV]* 2
Technical-Scientific Agreement Signed With Zaire *[Havana International]* 2
Health Cooperation Accord Signed With PAHO *[Havana Radio]* 2
Citizen Sentenced for Drug Possession, Use *[Havana Radio]* 2

Antigua and Barbuda

Parliament Begins To Debate National Budget *[CANA]* 3
Opposition Expresses Reservations *[CANA]* 3
House Approves Budget *[CANA]* 3
Lester Bird Dismisses 'Power-Hungry' Theory *[CANA]* 4
Vere Bird, Sr., Reshuffles Cabinet, Replaces Son *[CANA]* 4

Dominican Republic

Improved Relations With Haiti Called For *[Santo Domingo Radio]* 5
Intentions of Professional Sector Protests Viewed *[Santo Domingo Radio]* 5

Haiti

Senate President on Administration Reform Law *[Port-au-Prince Radio]* 5
Government Announces Reforms in Justice System *[Port-au-Prince Radio]* 6
Senate Condemns Aristide's Naming of 7 Justices *[Bonaire Radio]* 6
Minister of Justice Senate Hearing Postponed *[Port-au-Prince Radio]* 6
Preval Visits Scene of Montrouis Violence *[Port-au-Prince Radio]* 7
Minister Orders Arrest of Massacre Participants *[Port-au-Prince Radio]* 7

St. Lucia

U.S.-Mexico Trade Agreement Challenges Caribbean *[CANA]* 7

Trinidad and Tobago

Canadian Parliamentarian Says 'Secret Deal' Made *[CANA]* 7

CENTRAL AMERICA

El Salvador

Arena Election Victory in Sonsonate Announced *[Mexico City NOTIMEX]* 9
Labor Threatens To Protest if CCE Commits Fraud *[San Salvador TV]* 9
FMLN's Saenz Interview on UN Delegation Visit *[San Salvador Radio]* 9
FMLN Denies Preparations for 'Offensive' *[San Salvador Radio]* 10
CIA Plot To Blow Up Radio Venceremos Claimed *[Radio Venceremos]* 10
Treasury Employees Urged To Return to Work *[EL DIARIO DE HOY 13 Mar]* 10
Police Seize Occupied Buildings *[AFP]* 10

Nicaragua

Labor Unions Reject Truce; Talks 'Bogged Down' *[ACAN]* 11
Police Dislodge Strikers From Customs House *[ACAN]* 11
Antonio Lacayo on Effects of Economic Plan *[Managua Radio]* 11
EPS Issues Communique on Arms Trafficking Case *[Managua Radio]* 13
Importance of Coming EEC Meeting Stressed *[Managua Radio]* 13

Panama

Linares Defends Endara, Warns Against 'Anarchy' *[Hamburg DPA]* 14
Assembly Commission Drops Charges Against Endara *[Panama City TV]* 14
Endara, Officials on Impeachment Initiative *[EL DIARIO INDEPENDIENTE, etc.]* 14

SOUTH AMERICA

Argentina

Menem on Corruption, Strikes, Other Issues *[TELAM]* 16
Denounces 'Plot' Against Family *[NOTICIAS ARGENTINAS]* 16

Bolivia

Spokesman on Capobianco, Upcoming Cabinet Meeting *[La Paz Radio]* 17
New Commander of Antinarcotics Force Appointed *[La Paz Radio]* 17
MIR Chief, Minister Deny Governmental 'Crisis' *[La Paz Radio]* 17
Impeachment of Supreme Court Justices Continues *[PRESENCIA 9 Mar]* 18

Brazil

Collor Tries To Muster Congressional Support *[FOHLA DE SAO PAULO 10 Mar]* 18
President Collor Announces Reconstruction Plan *[Rio de Janeiro TV]* 19

Chile

* Domestic Arms Industry Capabilities Assessed *[EL MERCURIO 27 Jan]* 23

Colombia

Gaviria To Discuss Venezuelan Border Issues *[Bogota TV]* 26
Police To Create Special Antiterrorist Corps *[EL TIEMPO 10 Mar]* 26

Ecuador

Congress Dismisses Energy, Mines Minister Tamariz *[AFP]* 26
Guayaquil Council Office Attacked; Event Deplored *[Quito Radio]* 27

Peru

Government Declares 60-Day Emergency in Ports *[Lima TV]* 27
EFE on Emergency Measures 27
Health Minister Resigns, Gives No Explanation *[Madrid EFE]* 28

Uruguay

Senator Reacts to General Medina's Statements *[Montevideo Radio]* 28

Venezuela

Perez Welcomes Gaviria; Activities Outlined *[Bogota Radio]* 29

Cuba

* Ideology Official on Congress, Other Issues

91P40176A

[Editorial Report] Mexico City EXCELSIOR in Spanish of 18 February 1991 on pages 1 and 26, 19 February on pages 1 and 30, and 20 February on pages 1 and 33 carries a three-part report summarizing remarks made by Ramon Suarez Vega, a PCC [Cuban Communist Party] Department of Ideology official, during an interview with correspondent Felicitas Pliego in Havana City.

The 18 February issue reports Suarez' comments on the upcoming Fourth Party Congress. He said it will be a normal congress and is being held more or less on schedule (congresses are held at five-year intervals). One of the main topics will be the role of the party in Cuban society under the prevailing circumstances. Cuba will not renounce any of its fundamental socialist principles, he said, and the party and socialism are inseparable.

The party cannot close its doors to anyone, not even religious believers, stated Suarez. The Central Committee must be "renewed" with new, capable and revolutionary figures who will make a contribution, and who will truly lead and fulfill their roles. He explained that he was referring to the generation which followed the one which led the revolution, the generation which was young at the time of the triumph of the revolution. Suarez noted that nearly 50 percent of the Cuban population was born after the revolution and that Cuban society has changed. According to Suarez, young people see some things differently, though they do not renounce the principles of socialism. He said they want the PCC to continue to be selective.

The ideology official said that as part of this process of change, many people between the ages of 28 and 40 would move into leadership positions; rules would have to be changed and certain modifications made to allow very young people to do this. He said there will be a positive and substantial renewal with the aim of filling the most important positions with the most capable and revolutionary people. The older generation will have to begin leaving their positions, according to Suarez, although this does not mean that there will not continue to be some older people in the leadership as experience is important. Statutes will have to be revised in order to accomplish this and to allow religious believers to join. Fidel Castro and other party leaders have already said that believers will be permitted to join the party but the congress must approve this, he explained.

Suarez noted that while it would be much easier to say that the congress will not be held due to economic problems, it will take place and would be held even if candles had to be used for lighting.

Suarez said certain changes must be made in the methods and style of the PCC. The party must stop being so involved in everything, but it must continue managing the economy. The party structure needs to be more dynamic and flexible. Pointing to already sizable reductions in the party apparatus, he explained that having a fixed structure is not important, rather it is important to have whatever is necessary. Quantity is not a substitute for quality. The Fourth Party Congress will not solve all of Cuba's problems and there may be more changes after the congress, said Suarez.

The PCC is a Marxist-Leninist party and it is not going to renounce any of those principles. Under current conditions these ideas are enriched in the sense that the party declares itself to be the vanguard of Cuban society—not just the working class—while preserving its primarily working-class core; to do otherwise would be to undermine the party's fundamental philosophy. The ideology official said no one should be excluded from the party; if a religious believer has all the necessary qualifications to join the party, it would be unjust to exclude him. But this does not mean the party is going to become filled with believers, he added. People want the party to continue to be selective because this will ensure its quality.

Regarding the pre-congress discussions which have been under way, Suarez said there has been no sentiment favoring either a multiparty system, a change in the government's economic course, or a shift toward a market economy. He said the proposals arising from these discussions called for a resolution of subjective problems—those having to do with man, organization, leaders, and work attitudes. The people agreed that the government should be involved in areas of fundamental and strategic economic importance, according to Suarez. With regard to certain less critical services where deficiencies exist, however, these could be left up to individual initiative.

The 19 February issue cites Suarez as saying his country has lost a market worth billions of dollars as a result of the changes in Eastern Europe, and Cuba has no alternative but to trade with capitalist countries. Without renouncing socialism, Cuba has established parameters for capitalist investment; Cuban participation must be at least 50 percent. So far, this has occurred only in the tourism sector, which does not mean it cannot occur in other areas as well. All mixed enterprises must be export oriented. Goods intended for domestic consumption will be produced with domestic capital.

He said consideration is being given to foreign participation in industries where the foreign contribution comes in the form of capital or, in some cases, raw materials. At present, he said, there are some factories operating at 30-percent capacity and others which are paralyzed. In the tourism sector, 25-30 percent of the enterprises are mixed and the remainder are run by the state.

Suarez said that every tourist facility completed thus far has been filled; he added that this will also benefit Cubans. The idea is for Cubans to be able to enjoy the

hotels on the mainland and in the keys at times when there are no tourists. If there is an empty space, a Cuban can fill it. He will have to pay for it, said Suarez, but Cubans are entitled to the same things as foreigners.

With regard to petroleum receipts, there have been rumors of a possible agreement whereby Mexico would supply crude to Cuba while the USSR would supply it to Spain, according to Suarez. This would reduce transportation costs, but nothing is definite yet. He noted that Mexico is involved in all sorts of negotiations with Cuba and that Cuba had just recently sold sugar to Mexico.

Suarez said Cuba continues working to develop alternative energy sources such as hydroelectricity, nuclear energy, biomass, and solar energy in order to reduce its oil dependence.

In the 20 February issue, Suarez states that the Cuban people are not anti-U.S. They are anti-imperialist, but aside from that they are anti-nothing. Under the new immigration agreement with the United States, people are staying for longer periods. He said the government is reviewing the idea that people who want to live abroad be allowed to do so without any political stigma. At present, men and women, 45 and 40 years-of-age or older, respectively, are permitted to leave the country; Suarez did not rule out that younger people might be allowed to leave in the future. He said the only obstacle is economic. People must have sufficient money to pay their own expenses.

Suarez did not rule out the possibility that people may be allowed to travel freely in the future. He said the policy of denying Cubans the right to travel to another country cannot be continued forever. This policy has been due, in part, to U.S. hostility towards Cuba; but Cuba is changing, he emphasized. He added that the U.S. policy towards Cuba is hampering the reunification of families. Some Cuban students have been given permission to travel to the USSR and to Hungary.

While Suarez acknowledged that the country is experiencing difficulties, he said people are not dying of hunger. The country is promoting the idea of family gardens, but this is not practical in all parts of the country, particularly in Havana. However, the country's agricultural policy will lead to a resolution of this problem, he said. The plan is to saturate the country's internal market; only at this point will they begin to export. He noted that in a country like Cuba there will always be limitations on beef consumption, but the problems with regard to chicken, fish, and pork have been resolved.

A stable work force is the definitive answer to the agricultural-livestock question, and housing is now being constructed in the countryside, according to Suarez. Havana City presents the main problem, but the rest of the country is not a problem. Havana Province can satisfy not only the needs of Havana but also of the country as a whole. The problem is the yield per acre. They will manage to saturate the market and this has already been achieved in some provinces, he emphasized.

Mexican Paper Cited on UN Human Rights Decree

FL1403132691 Havana Tele Rebelde Network in Spanish 1100 GMT 14 Mar 91

[Text] The blockade the United States has maintained against Cuba for three decades is one of the greatest acts of violation of human rights known in the world. This was reported by the Mexican newspaper LA JORNADA. The anti-Cuban resolution approved in Geneva by the UN Human Rights Commission was sharply criticized in an article written by Mario Rascon. It states that there is no greater crime against those rights than the U.S. embargo which has been imposed on Cuba as an economic measure. The Mexican writer also said that it has been shown that the future of Cuba is an essential part of the future of Latin America. He added that the entire responsibility of defending the Cuban revolution lies on us.

Technical-Scientific Agreement Signed With Zaire

PA1403041691 Havana International Service in Spanish 0000 GMT 3 Mar 91

[Text] The mixed intergovernmental commission for economic and scientific-technical cooperation between Cuba and Zaire was created on 2 March in Havana with the signature of a protocol emphasizing health, culture, sports, biotechnology, and the iron and steel mechanical industry sectors. Soza Mundu-te-Nate, secretary of state for international cooperation of the Republic of Zaire, said that—along with the goals sought with the creation of this commission—there is also an interest in knowing about the Cuban people's true self and their reality, which has been distorted by the campaigns of the foreign media.

Health Cooperation Accord Signed With PAHO

FL1303200891 Havana Radio Reloj Network in Spanish 1513 GMT 13 Mar 91

[Text] Cuba, Ecuador, and the Pan American Health Organization [PAHO] have signed a health cooperation accord in Havana City. The agreement includes the training of doctors; and human resources for health related matters, rehabilitation, and community-based medicine and health.

Citizen Sentenced for Drug Possession, Use

FL1403121591 Havana Radio Rebelde Network in Spanish 0000 GMT 14 Mar 91

[Relay from Holguin Province by Alexis Triana for the "Exclusivo" program]

[Text] Cuban citizen Pedro Domingues Reyes, resident of Sagua de Tanamo, Holguin Province, has been sentenced to one year and four months in jail on charges of possession and use of drugs.

A report from journalist Clara Manzano states that Domingues Reyes was sentenced during a public trial. This 23-year-old individual, who is unemployed despite being physically able to work, confessed that he uses drugs. Domingues Reyes also confessed he is the owner of the marijuana that was seized during the Cascabel operation.

The prosecutor also established that Domingues was known for his social misconduct, that he regularly held meetings with antisocial groups, and that he does not carry out any socially useful activities.

Domingues may appeal this sentence before a higher court, but it must be noted that he has engaged in activities that are dangerous to society and that these activities may corrupt other people.

Antigua and Barbuda

Parliament Begins To Debate National Budget

FL1403155591 Bridgetown CANA in English 1513 GMT 14 Mar 91

[By Colin James]

[Text] St. John's, Antigua, March 14, CANA—Embattled Antigua and Barbuda prime minister and finance minister, Vere Bird Sr., scored a victory against a group rebel government parliamentarians Thursday when the House of Representatives started debate on the national budget.

MP's [members of Parliament] including the prime minister's son, Lester, had accused the 81-year-old leader of plunging the government into a constitutional crisis by reading only the highlights of the budget, rather than the full 61-page text. But House of Representatives speaker, Casford Murray, explained that it was not necessary to read the full text. He said the budget speech does not form part of the record of the house. The record, he said, included three documents—the budgetary estimates; the development estimates; and the recurrent expenditures—which the government had to lay in Parliament.

The explanation came after leader of the opposition, Baldwin Spencer, said the budget had not been properly tabled. Lester Bird, the deputy prime minister, and six other government parliamentarians had signed a letter complaining of the budget presentation and calling on the head of government to step down.

Lester Bird was in Parliament Tuesday, but missing the opening session were "rebels" John St. Luce, the former finance minister; Hugh Marshall, the trade minister; Public Utilities Minister Robin Yearwood; and junior minister Hendy Simon. Eustace Cochrane, the public works minister, and government backbencher Joseph Myers—who both signed the letter—were there.

Labour and Health Minister Adolphus Freeland opened the debate, with Lester Bird making a presentation afterwards.

Opposition Expresses Reservations

FL1403170091 Bridgetown CANA in English 1639 GMT 14 Mar 91

[Text] St. John's, Antigua, March 14, CANA—Opposition leader Baldwin Spencer and the business sector have expressed reservations over the controversial budget presented a week ago by Prime Minister Vere Bird.

Spencer indicated his immediate concern was finding out which of two budget documents would form the basis of the parliamentary debate which started Thursday. Spencer said he had received both a copy of the 10-page document Prime Minister Bird read from in Parliament last week, as well as a copy of the 62-page speech prepared by officials in the Ministry of Finance. "As far as I'm concerned, if there is going to be a debate, it has to be the one presented to the House," he said.

In a statement outlining its position on the budget, which sparked a revolt against the prime minister by some government MP's [members of Parliament], the Antigua Chamber of Commerce called on the government to rescind new tax measures. The chamber also expressed concern at how the budget was presented, saying it did not believe the budget highlights presented by the prime minister satisfied "the necessary procedural requirements" for presenting a budget. The chamber said it was deeply concerned that despite its strong objection to the principle of a tax on gross turnover, the government had persisted to carry through with the measure.

"We restate that the necessity of new tax measures can be negated by the increased efficiency in the collection machinery of taxes and other government revenues," the business group said. "We therefore implore the government and particularly the prime minister to adopt a prudent spending policy especially in these hard economic times and to avoid increasing the burden on the business sector and citizens of this country."

House Approves Budget

FL1503143891 Bridgetown CANA in English 1410 GMT 15 Mar 91

[Text] St. John's, Antigua, March 15, CANA—After 15 hours of debate, Antigua and Barbuda's House of Representatives approved the 1991 budget early Friday. The debate ended after midnight Thursday with a voice count, the "ayes" dominating.

Prime Minister Vere Bird Sr. needed only a simple majority to have the 284 million East Caribbean [EC] dollar (one EC dollar equals 37 U.S. cents) budget approved.

Government parliamentarians are split over the way Bird Sr., also the finance minister, presented the budget. A faction headed by the elderly leader's son, Deputy Prime Minister Lester Bird, said he had plunged the country into a constitutional crisis by reading only the highlights of the budget. The rebel MP's [members of Parliament] called on him to step down as prime minister.

Bird Sr. rejected the call and, according to senior government officials and the government-owned NATION newspaper, is preparing to announce a cabinet reshuffle.

Lester Bird Dismisses 'Power-Hungry' Theory

FL1403193191 Bridgetown CANA in English 1903 GMT 14 Mar 91

[By Colin James]

[Text] St. John's, Antigua, March 14, CANA—Antigua and Barbuda's deputy prime minister, Lester Bird, on Thursday brushed aside claims he is power-hungry. Bird told Parliament he "cannot conceive how it is perceived that I'm power hungry, that I only want power for myself." Bird's political opponents have charged that his main aim is to take over the prime ministership from his 81-year-old father, Vere Bird Sr.

Lester Bird and six other government MP's [members of Parliament] have signed a letter urging the elderly head of government to step down. They complained Bird Sr. had plunged the government into a constitutional crisis by reading the highlights, rather than the full text, of the budget last week. But Bird Sr. scored a victory against the group of rebel government parliamentarians when the House of Representatives started debate on the national budget.

House of Representatives speaker, Casford Murray, explained that it was not necessary to read the full text. He said the budget speech does not form part of the record of the house. The record, he said, included three documents—the budgetary estimates; the development estimates; and the recurrent expenditures—which the government had to lay in Parliament.

The deputy prime minister and foreign affairs minister said he was not worried about reports that his father would include him in a cabinet reshuffle.

"...If that means I will be demoted, sent to (the Ministry of) Education, sent to the boondocks, Mr. Speaker, sir, that too is an irrelevancy," he said. He said putting his faction of the ruling party on the government back benches would only strengthen the impression that "this government must have lost its way."

He told Parliament he did not want to discuss whether the budget was legal. "The budget is the most important debate that comes before this house and it must be laid out in some depth, some understanding to the people on whose behalf we are spending the money," he said.

"So I'm not getting involved in legalism because it can be agreed both ways. All I'm saying to you, sir, is that out there in the public I'm totally confronted by people and every single member sitting here has had their constituency (members) come to them and say what is that?"

He said a "tradition has been built up in the House for there to be an elucidation of what it is we are doing with the people's money." Debate on the budget was continuing Thursday afternoon.

Vere Bird, Sr., Reshuffles Cabinet, Replaces Son

FL1503012091 Bridgetown CANA in English 2258 GMT 14 Mar 91

[Excerpts] St. John's, Antigua, March 14, CANA—Antigua and Barbuda Prime Minister Vere Bird, Sr. has named Labour Minister Adolphus Freeland as deputy prime minister in a cabinet reshuffle to be announced shortly, the government-owned NATION newspaper reported.

The paper, quoting "reliable sources," said "Prime Minister Bird named parliamentary representative for St. George, Adolphous Freeland, as his new deputy, to replace his son, Lester Bird." It said the prime minister's decision was in reaction to a letter signed by Lester Bird and six other parliamentarians of the ruling Antigua Labour Party (ALP), asking the elderly leader to step down. The paper said the prime minister called on Governor General Sir Wilfred Jacobs "to notify him of the changes which took effect yesterday."

The paper is published Friday, but an advance copy was made available to CANA Thursday. The new deputy prime minister will also have responsibility for tourism, the paper said. According to THE NATION, former finance minister, John St. Luce, has been drafted back into the cabinet and will be responsible for Trade, Energy and Commerce. Lester Bird, the paper said, has been assigned the Education portfolio. Trade Minister Hugh Marshall and minister without portfolio in the Ministry of Economic Development, Hendy Simon, who both signed the letter, "have been dropped from the cabinet," THE NATION said.

The health portfolio has been assigned to former education minister, Reuben Harris, who is seriously ill in the United States, and Dr. Rodney Williams, a government backbencher in Parliament, will act in that capacity until Harris is well enough to assume duties, THE NATION reported.

The paper also said Agriculture Minister Hilroy Humphreys and Public Utilities Minister Robin Yearwood would retain their portfolios. No mention was made of

Public Works Minister Eustace Cochrane, another parliamentarian who signed the letter, but is now reported to be supporting the prime minister. [passage omitted]

Some MP's [members of Parliament], including Freeland, rallied behind the prime minister, but Spencer called on the government to resign.

"What we heard this morning is a damning indictment against the Antigua Labour administration and it is clear that we really do not have a government," he said. "What we have is a group of individuals that are there looking about their own self-preservation and are not concerned about the welfare and well-being of the people of this country," Spencer added.

"...These statements clearly demonstrate that the government is not governing," he remarked.

Debate on the budget is continuing.

Dominican Republic

Improved Relations With Haiti Called For

FL1403211091 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 14 Mar 91

[Editorial: "Relations With Haiti"]

[Text] All indications—speeches, demands, and tensions—point toward a uninformed, systematic confrontation with Haiti, especially with its new government. President Balaguer's stand on the Haitian problem, or better said, on the problems with Haiti, is precise and clear. He has pointed out that there is a need for understanding, for smoothing rough edges, and for sponsoring a comprehensive and extensive mutual cooperation policy.

The country is being subjected to accusations from the international sphere and Haiti's domestic sectors. Dominicans who visit or reside in Haiti are deported or mistreated. Offensive remarks are made. An organized campaign against our image is evident. Demands have now been made to selectively repatriate politicians who had found refuge in our country.

In conclusion, coals are being fanned and flames are being fed, when it is the opposite that should be done. Haiti and the Dominican Republic should join together in an effort to promote social and economic development and to overcome common problems. Haiti particularly must confront its extreme poverty, and the Dominicans must make an effort to stop the massive influx of Haitians from further aggravating our problems. The two nations can accomplish all of this through goodwill and harmonious work, especially since common problems can only be resolved through solidarity. Let us hope this will be achieved.

Intentions of Professional Sector Protests Viewed

FL1503115391 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 14 Mar 91

["Today's Subject" commentary entitled: "Professionals' Protests"]

[Text] Professional sectors in the country, particularly the Dominican Medical Association, are conducting a program of protests and coordinating actions of greater impact, seeking to pressure the government to grant salary increases. They hail this pretext to conduct operations that need to be carefully analyzed, and their immediate-, short-, and long-term consequences evaluated. The nature of the operations being carried out and the magnitude they want them to reach makes evident that salary demands are a purely circumstantial and irrelevant excuse.

These professional sector protests seek to destabilize the government by means of civil disorder, or at least civil disobedience, compounded with an increase in criminality and the tensions created by the current inflation. It is clear that there is a firm, defined, effective, and evidently subversive political purpose. They want to keep the government on the defensive and foster the impression that the social and economic problems in the country are of such magnitude that a change of government is necessary. Our assertion is proved by precedents and the speeches of the protesters and their political agitators. Confronted with this situation, the government is required to take clearly defined steps to stop these protests from turning into disorders of unknown consequences.

Haiti

Senate President on Administration Reform Law

FL1403024891 Port-au-Prince Radio Metropole in French 1700 GMT 12 Mar 91

[Interview with Senator Eudrice Raymond, Haitian Parliament president, by unidentified correspondent; place and date not given—portions recorded]

[Text] The government will be able to make necessary changes to the public administration during the first six months of its mandate. Last week the Parliament approved a law in accordance with Article 295 of the Constitution, which authorizes the government to set up reforms in the public administration during the first six months of its five-year mandate. The Parliament members have set limits, however, to this law which was ratified last week. Let us listen to further explanation by Parliament president, Senator Eudrice Raymond.

[Begin recording] [Raymond] As I just told you, we wanted to respect the spirit of the members of the Constituent Assembly when they included Article 295 in the Constitution. This spirit reflected the country's need

for radical reforms in both the magistracy and in the administration itself. In this sense, the Constituent Assembly, or rather members of Parliament, chose to provide the government with the opportunity to make these reforms during the six-month period which begins on the date the law was voted.

This is then, on the contrary, [stammering] ...the precise content of Article 1. Article 2, however, limits the power of the government because these reforms must be made in consultation with the local elected representatives, with the support of the territorial collectives. That is the content of the principal clauses of the law which has been approved as Article 295.

[Reporter] If the government now has a free hand to make changes in the public administration, it must, nevertheless, act jointly with the local elected representatives. When you say local elected representatives, Mr. President of the Senate, do you mean the municipalities, the municipal officials, the department councillors, the departmental assemblies?

[Raymond] Indeed, it means all the authorities elected by the territorial collectives. That is to say, since the departmental councils, the communal councils, the Communal Section Administration Councils [CASEC's], and even the members of Parliament constitute elected representatives of these territorial collectives, the government is obliged to consult these elected representatives.

[Reporter] As soon as the consultations are complete, the government will be entitled to make the changes, beginning with the month of February [correcting himself] ...I am sorry, beginning with the month of March, until six months later. Is that it?

[Raymond] That is it. Exactly. [end recording]

Government Announces Reforms in Justice System

FL1403220891 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 14 Mar 91

[Excerpts] Reforms have been made in the justice system, including a major reshuffle within the Court of Appeal. Lawyer Andre Cherilus has been appointed president of the Court of Appeal, and Justin Castel has been named vice president. Larousse D. Pierre Clausel Debrosse and Raymond Gilles have both been appointed judges.

Lawyer Mirbel Jean-Baptiste was appointed government commissioner [public prosecutor] to the Court of Appeal of the Republic; lawyers Boniface Alexandre and Jean-Claude Banica were named deputy public prosecutors. They were sworn in 8 March.

Before his appointment, Mirbel Jean-Baptiste held the post of deputy public prosecutor to the same Court of Appeal; Boniface Alexandre had long been a military lawyer; and Francois Banica was deputy public prosecutor to the Court of Appeal. [passage omitted]

In addition to the appointments of Boniface Alexandre and Jean-Claude Banica, Luc S. Fougere was also named public prosecutor.

Senate Condemns Aristide's Naming of 7 Justices

FL1503124891 Bonaire Trans World Radio in English 1130 GMT 15 Mar 91

[Text] Haitian President Jean-Bertrand Aristide is facing his first constitutional crisis. The country's Senate has unanimously condemned Mr. Aristide's naming of seven justices to the country's Supreme Court. The Senate wanted the judges chosen from a list it proposed as required by the Haitian Constitution. Haitian Prime Minister Rene Preval has been called to appear before the Senate to discuss the matter.

Minister of Justice Senate Hearing Postponed

FL1403014391 Port-au-Prince Radio Haiti-Inter in Creole 2100 GMT 12 March 91

[Excerpts] Senator Bernard Sansarique summoned Minister of Justice Bayard Vincent before the Senate today to answer questions on his behavior in the slaughter in Jeremie and also on the arrest of Williams Regala while he was acting as government commissioner. [passage omitted].

The matter was postponed, however, because the other senators did not agree with certain issues Senator Sensarique also wished to debate with Bayard Vincent, such as his qualificiations as justice minister. The other senators disagreed with Senator Sensarique's position. [passage omitted]

[Begin recording] [Reporter] The senators were not able to hear the minister of justice this morning because the letter of notification to appear was full full of legal flaws. The senator of Grand-Anse [southern region of Haiti] who had called the minister, referred in the letter to: the case on Regala and others.

When the minister arrived, however, Senator Sensarique attacked him personally, saying that he had no right to be a minister and that he [Sansarique] had many dossiers proving that lawyer Bayard Vincent should not be a minister in the current government. On the matter of the legal flaws, Senator Sansarique accused the president of the Senate of wording the letter incorrectly, causing the matter to be postponed. [passage omitted].

The debates have been postponed to an unknown date. The Senate will meet to reconsider the summons. Senator Sansarique agrees with the postponement of the summons in that he will then have more time to collect evidence against Vincent. [passage omitted] [end recording]

Preval Visits Scene of Montrouis Violence

FL1403020691 Port-au-Prince Radio Nationale in Creole 1400 GMT 13 Mar 91

[Text] The cabinet of the prime minister issued a press release advising that Prime Minister Rene Preval visited Montrouis on 11 March with Colonel Michel Louis, inspector of the Haitian Armed Forces, and lawyer Carl Auguste, who works in the cabinet of the prime minister. Preval sought further information on the incident that occurred in Montrouis on 9 March.

The delegation interviewed those who witnessed or participated in the violence, civilians as well as soldiers in Saint-Marc and Gonaives, representing both sides of the story. This allowed many things to become clearer to the prime minister regarding the actual events. It also permitted the Saint-Marc commander, Captain Ernst Lubin, to make the decision to arrest some of his soldiers. As a result of the findings, Gonaives commander, Colonel Jonas, chose to confine some of his soldiers to the barracks.

This note was signed by Sheila Laplanche, press attache of the cabinet of the prime minister.

Minister Orders Arrest of Massacre Participants

FL1403204191 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 14 Mar 91

[Text] The minister of justice, lawyer Bayard Vincent, has ordered the justice officials presiding over the following cases to do everything necessary to expedite the process that will bring the accused individuals to justice: Nichole Poitevien [name as heard], a citizen of Jean-Rabel [town located in the northwestern part of the country], who has been accused of involvement in the Jean-Rabel massacre; Polynice Volcy, a suspect in the massacre of Gervais, in the fifth communal section of Saint-Marc; and William Regala, who is accused of involvement in the 29 November [1987] massacre, as well as a number of other criminal acts in Haiti.

Thus the justice minister, Lawyer Bayard Vincent, has ordered the various justice officials involved in these cases to do everything necessary so these people can be shown the path of justice and answer to the law for the crimes they have committed.

As for William Regala, a new arrest warrant has just been issued so he can be arrested and imprisoned until he is summoned to appear in court.

St. Lucia

U.S.-Mexico Trade Agreement Challenges Caribbean

FL1403233191 Bridgetown CANA in English 2017 GMT 14 Mar 91

[By Peter Richards]

[Text] Castries, St. Lucia, March 14, CANA—Free trade between the United States and Mexico could pose problems for the Caribbean, according to Edward Neufeld, former director of Trade and Finance with the Canadian Government.

He told government and business officials here: "Free trade between the U.S. and Mexico could mean a new competitive factor for the Caribbean, having in mind Mexico's large labour pool, low wages, and potentially large production runs. It is therefore timely for the Caribbean to re-examine their trade strategy. For instance, there is the question as to whether the Caribbean Basin Initiative (CBI) might not be expanded, say, to include products such as apparel and footwear."

Neufeld added: "....Perhaps special concessions could be sought to protect the CBI as the North American Free Trade Agreement evolves." Neufeld is the executive vice president, Economic and Corporate Affairs, of the Royal Bank of Canada. Neufeld was speaking at the first in a series of lectures for 1991, organised by the St. Lucia Chamber of Commerce, Industry and Agriculture.

Neufeld said that the region might consider initiatives to ensure that the Caribbean will benefit from the larger North American market by "transforming its natural advantages into exportable goods and services. These advantages, depending on the particular country, include competitive wages, good infrastructure, prevalence of English, and superb natural tourist industry endowments."

Neufeld said that with the increase in international competition, "long-term measures are best aimed at increasing the competitiveness of Caribbean products and services through sound economic policies, promotion of efficient industrial activity, greater intra-Caribbean integration, agricultural diversification, and continued emphasis on tourism."

The banker said the view that freer trade is the best route to better living standards "is gaining converts at a very fast rate. I fully expect that in the decade ahead it will be a major force in Central and South America," he added.

Trinidad and Tobago

Canadian Parliamentarian Says 'Secret Deal' Made

FL1503001191 Bridgetown CANA in English 2141 GMT 14 Mar 91

[Text] Port of Spain, Trinidad, March 14, CANA—Canadian opposition parliamentarian Jim Karygiannis thinks there is political oppression in Trinidad and Tobago which pits one ethnic group against another.

Karygiannis, who spent a week on a fact-finding mission focusing on the claims of people from here who are seeking refugee status in Canada, also said he believes a "secret deal" was made between the country's prime

minister, Arthur Robinson, and Canadian Prime Minister Brian Mulroney, to reject such applications.

"We have found that there is reasonable evidence that there exists in this country a form of political oppression, a form of a machinery which has been in place over the years, which separates one group from another group for political gain," he told the CARIBBEAN NEWS AGENCY on Thursday prior to his departure for Canada.

"That machinery undermines the racial harmony in this country and it pits one person against the other person for the political survival of a party or a group of individuals."

Karygiannis said East Indians here were a targetted group who suffered from job discrimination to political oppression. The 13,000 nationals from here seeking refugee status in Canada on grounds of political persecution and racial discrimination are mostly East Indians. The Liberal Party parliamentarian believes the claim of the "secret deal" to reject thousands of refugee applicants from the twin-island state has some "merit" and some "truth."

Meanwhile, the Liberal Party has apparently distanced itself from the visit by Karygiannis. The party's acting political leader Sheila Cox is also in "the process" of apologising to Prime Minister Robinson for comments made by Karygiannis, the Trinidad Broadcasting Corporation (TBC) reported on Thursday.

"On behalf of the Liberal Party in Canada, I have already been in touch with the government and the prime minister's office, through the high commissioner in Canada, to absolutely and totally dissociate myself and my party from the comments made by Mr. Karygiannis," Cox told the radio station.

She continued, "Mr. Karygiannis is on an unauthorised trip under no authority of the Liberal Party, and indeed his actions have put his status as a member of Parliament in great jeopardy."

El Salvador

Arena Election Victory in Sonsonate Announced

PA1503044191 Mexico City NOTIMEX in Spanish 0323 GMT 15 Mar 91

[Text] San Salvador, 14 Mar (NOTIMEX)—The victory of the Nationalist Republican Alliance [Arena] in Sonsonate Department was announced this evening amid protests over election delays and irregularities. The Central Electoral Council [CCE] announced, four days after the elections concluded, that Arena secured 35,352 votes, thus securing two of the four seats allotted to the western department of Sonsonate.

According to the CCE count, the Christian Democratic Party secured 29,477 votes and the National Conciliation Party [PCN] 12,847, so each of these two parties gets a seat. The Democratic Convergence [CD], a coalition of leftist parties, secured only 5,569 votes out of the 87,149 votes that were cast in Sonsonate Department during Sunday's elections. The elections were characterized by a high rate of absenteeism.

The CD and other political opposition forces have stated that according to independent counts, the third place went to the left, and not, as the CCE reported today, to the PCN.

Labor Threatens To Protest if CCE Commits Fraud

PA1503012891 San Salvador Canal Doce Television in Spanish 0300 GMT 14 Mar 91

[Text] Several labor unions threatened today to stage protests if the Central Electoral Council [CCE] commits fraud against the opposition parties.

After holding CCE officials responsible for any action that the people's organizations may adopt as a result of the reports of fraud, Julio Cesar Portillo, secretary general of the Anden-21 Junio [21 June National Association of Salvadoran Teachers], said that he will closely follow the reports of official results. He warned the CCE that, if it committed any fraudulent action, it will be held responsible and will have to face the consequences.

[Begin Portillo recording] The CCE cannot afford to.... [changes thought] If it does, it will be held responsible for what the people's organizations, which we represent, will do in the streets. We will not tolerate fixed results or old tricks intended to give the PCN [National Conciliation Party] what it has been unable to win in the elections. [end recording]

For Julio Portillo, the procedures of the electoral system in our country are obsolete. This, he added, has facilitated the implementation of electoral fraud. Upon criticizing the preliminary results which placed the PCN ahead of the CD, Portillo said that the CCE organization was designed to respond to the interests of the rich.

[Begin Portillo recording] The electoral system has been designed to protect the interests of the millionaires and the Nationalist Republican Alliance. This is the problem. We have observed this after analyzing the role played by the Armed Forces. We have observed this after watching the CCE implement old tricks that stretch the imagination. [end recording]

According to the labor organizations that met here, both the Republican [not further identified] and OAS observers did not have the moral authority to assess the elections, when the reality is different. The organizations urged international observers to denounce the electoral fraud before their respective organizations. The organizations said that if the observers do not denounce the fraud, they will be siding with injustice by openly supporting the central government.

FMLN's Saenz Interview on UN Delegation Visit

PA1403153291 San Salvador Radio Cadena YSU in Spanish 0007 GMT 13 Mar 91

[Report on interview with Miguel Saenz, member of the political-diplomatic commission of the Farabundo Marti National Liberation Front (FMLN), by Juan Jose Garcia of Salvadoran news agency SALPRESS in Mexico City on 12 March]

[Text] The FMLN has praised the arrival in El Salvador, scheduled to take place on 13 March, of a UN mission that will visit areas of conflict. Miguel Saenz of the insurgents' political-diplomatic commission has said that the UN representative will also be looking for the requisite preliminary conditions for organizing the office that will verify the agreements negotiated between the government of Alfredo Cristiani and the FMLN.

We will now carry the statements by Miguel Saenz:

[Begin recording] [Saenz] We have been informed that a UN mission will arrive in El Salvador tomorrow. The objectives of the UN mission are to look for preliminary conditions needed to organize what will become the verification commission of ONUSAL [expansion unknown] and also to pay in situ visits to some areas of the country, specifically Morazan and Chalatenango Departments and Guazapa.

They are not going to make any urgent proposals other than those that have already been established in the negotiating process. There is nothing new in this regard.

[Garcia] Miguel Saenz, can you give us your opinion about the meaning of a visit to El Salvador by a UN delegation after the elections held last Sunday?

[Saenz] It was clearly understood that the United Nations was not going to participate in any election observation or verification process. The United Nations follows the principle that it will not participate as an

election observer in a country where an armed conflict exists unless there is a coordinated cease-fire. This is very clear.

Also, based on the aforementioned statement, one may infer that the United Nations is not pursuing any electoral intentions in going to El Salvador. It is only going to look for conditions for organizing what will become the ONUSAL office of verification and to pay in situ visits to some fronts in El Salvador. Thus, the United Nations will directly learn the realities and conditions experienced there.

We believe it is very positive that it is going there to observe the situation in situ. We think this visit is positive. [end recording]

FMLN Denies Preparations for 'Offensive'

PA1503142591 San Salvador Radio Cadena YSKL in Spanish 1210 GMT 15 Mar 91

[Text] The FMLN [Farabundo Marti National Liberation Front] has issued a communique denying that it is preparing to launch an offensive, as the government and the Army have announced. The FMLN General Command says that this is part of a disinformation campaign by the government and the Armed Forces and a smokescreen to distract the people's attention from the electoral fraud they are committing.

The communique adds that the FMLN is not interested in increasing military action; to the contrary, it seeks to strengthen the negotiations intended to attain a solution to the armed conflict.

CIA Plot To Blow Up Radio Venceremos Claimed

PA1403234491 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 Mar 91

[Text] Tomorrow we will reveal a plan whereby CIA agents would go to and dynamite Radio Venceremos.

We are reminding Ambassador William Walker that he has not yet replied to our charges that U.S. advisers have reported on spy flights over our territory in preparation for destroying our radio station. We are waiting for the U.S. Embassy to say whether or not U.S. advisers relayed this information to the High Command in order to threaten Radio Venceremos. Silence gives consent. Your silence is suspicious, Mr. Ambassador.

Treasury Employees Urged To Return to Work

PA1403172691 San Salvador EL DIARIO DE HOY in Spanish 13 Mar 91 p37

[Communique issued by the Salvadoran Government in San Salvador on 12 March]

[Text] Due to the interruption of work by some employees of the Treasury Ministry who have stopped providing vital services to the Salvadoran people, the Government of the Republic of El Salvador makes the following considerations regarding the conduct of these employees:

1. It is unconstitutional because Article 221 of the Constitution reads as follows: "It is forbidden for public and municipal employees to strike or collectively walk out of their posts."

2. It constitutes a criminal action because Article 433 of the Penal Code establishes the following: "Public officials and employees who suspend their jobs or walk out of their posts or jobs, in numbers of three or more, will serve from three months to two years in jail. For the organizers of the mass walk out, the punishment can be increased up to four years in jail. The mere call to the massive job suspension or walk out mentioned in this article will be punished from three months to one year in jail."

3. It constitutes a reason for dismissal, as established by Article 53, letter I) of the Civil Service Law, which states: To go on strike or walk out of a job or post.

4. It goes against the interests of public employees as a whole because it prevents the government from paying their wages for this month, especially now that the Holy Week vacations are drawing near.

Therefore, in defense of the employees' sacred right to receive their wages on time and to enjoy the Holy Week vacations with their children and their entire family, the government calls on the Treasury Ministry employees to report to work on 14 March, with the assurance that the sentiments of solidarity will prevail, so as not to harm their thousands of fellow workers.

Following the Holy Week vacations, the government will review the reasons currently given by the above-mentioned Treasury Ministry employees.

San Salvador, 12 March 1991
Government of the Republic of El Salvador

Police Seize Occupied Buildings

PA1403234191 Paris AFP in Spanish 2122 GMT 14 Mar 91

[Text] San Salvador, 14 Mar (AFP)—Today antiriot police forces occupied three Finance Ministry buildings, where approximately 4,800 workers have been on strike for the past week. The workers are demanding better salaries and work conditions. The police units seized the buildings, but did not force the workers out, according to the media.

This morning, labor sources charged that the police have arrested four Finance Ministry labor leaders on the outskirts of the capital.

There were tense moments when groups of policemen wearing tear gas masks and yielding sticks and shields entered the buildings.

The workers said that "the strike will continue" until the government of Alfredo Cristiani, which is being blamed by the workers for the high cost of living, satisfies their demands.

Carlos Luna, leader of the Association of Finance Ministry Employees, has charged that four members of this association were arrested this morning on the outskirts of the capital. The four were arrested at the Customs Department, one of the departments of the Finance Ministry, when they were working with customs employees.

Meanwhile, the Chamber of Commerce and Industry of El Salvador has issued a communique cautioning that the strike "could paralyze productive activities in the country" and noting that "goods have been kept in customs" for a week. The Association of Workers of the Public Works Ministry has warned that some 24,000 employees from this ministry could join the strike in support of the Finance Ministry employees and to press for satisfaction of their own demands, which also include calls for a salary increase.

The National Administration for Telecommunications and the Institute of Supply Regulation are also facing labor conflicts.

While a contingent of antiriot policemen remained in the Finance Ministry buildings, other public order agents were trying to stop a demonstration by leftist militants who were marching on the Central Electoral Council, which has been accused of committing electoral fraud against the Democratic Convergence. Up until to 1300 (1900 GMT) no incidents have been reported.

Nicaragua

Labor Unions Reject Truce; Talks 'Bogged Down'

PA1503023791 Panama City ACAN in Spanish 0025 GMT 15 Mar 91

[Text] Managua, 14 Mar (ACAN-EFE)—The Sandinist labor leaders today rejected the 10-week truce requested by the government. The truce included ending of all strikes in an effort to permit the implementation of a severe economic plan decreed early this month, spokespersons for the workers announced today.

The talks betwen the government and leaders of the National Workers Front (FNT), which is heading the strike, are "bogged down" because the authorities are insisting on a truce without offering anything in return, labor leader Jose Angel Bermudez said. The government delegates insisted that a truce be called and offered a new wage increase. However, the wage increase would only take effect if the new economic measures—during the time period of the truce—did not return the workers' purchasing power to the level that it was before the adjustments were made. According to the FNT, the workers have lost 40 percent of their purchasing power because of the new adjustments.

Bermudez said the government's proposal was "unacceptable" and added that the government's devaluation had "plundered" the salaries.

"What the government should do is restore the wages of the workers, who are striking justly," he said.

The government's plan included a 200-percent wage increase, which was rejected by the workers, and the devaluation of the "gold cordoba," which had been on par with the dollar.

The Nicaraguan Government has explained that the plan is designed to end the hyperinflation that has existed in the country for the past 36 months.

Police Dislodge Strikers From Customs House

PA1503010691 Panama City ACAN in Spanish 2341 GMT 14 Mar 91

[Text] Managua, 14 Mar (ACAN-EFE)—Today, riot police evicted a group of strikers who had occupied one of the seven customs offices in Nicaragua, according to a Managua radio station.

The Sandinist radio station "Radio Ya" reported that the police "repressed" and dislodged the workers who had occupied the Sandino customs house in Managua. The workers have been demanding wage raises.

So far, the police have not confirmed or denied the report.

Several days ago the riot police dislodged workers from another customs building in Managua. The workers were supporting the strike, which has spread to several state institutions.

The workers are demanding wage raises of approximately 400 percent, twice what the government has authorized, to face the severe currency devaluation of the gold cordoba, which was previously quoted on the par with the dollar and now stands at five cordobas per U.S. dollar.

Antonio Lacayo on Effects of Economic Plan

PA1403193891 Managua Domestic Service in Spanish 1426 GMT 14 Mar 91

[Statement by Minister of the Presidency Antonio Lacayo in Managua on 13 March—recorded]

[Text] Ten days after launching the economic stabilization plan "We Support the Cordoba" [Vamos al Cordoba], I am addressing all Nicaraguans and the international community to share an evaluation of the program announced last 3 March and its initial effects.

Aware of the serious economic crisis Nicaragua had been going through for many years as the gross national product began to drop year after year—as a result,

among other things, of the aggression against Nicaragua—we are pleased to see the high degree of understanding on the part of all the people concerning the economic measures and the genuine interest expressed so that the stabilization program can have the desired success.

The order with which the Nicaraguans have been changing their old bills for the new ones has been exemplary. The confidence shown in the rates of exchange of the three currencies circulating in the country has allowed us to advance substantially in adapting our economy to the cordoba. Despite the sharp increase in the hours immediately following the announcement of the program, the prices of the products demanded by the people have started to drop in a very evident manner. The spirit of competition has begun to show up in stores for the benefit of the consumers and the society we want to build.

We appreciate the efforts that have been made by responsible producers and honest merchants who try to keep the people supplied with staples at prices that sometimes do not even compare with those of February. This, undoubtedly, will alleviate the suffering of the persons earning salaries and will serve as a basis for a slow but solid recovery in the volume of sales.

The government sincerely hopes that the announced decisions will benefit, first of all, those most affected by the hyperinflation we have experienced for three years: the poor, the humble, the unemployed rural and city workers, the handicapped, the orphans, and the elders. For them, we have strongly promoted opening new sources of employment in the Emergency Social Investment Fund (FISE) in all municipalities of the country. For them also, we are launching today a fund to take care of the oppressed sector in order to support firmly those who need the most support from us.

Bearing in mind the belief that these are not times for improving but also times for not getting worse, the workers who are earning salaries may rest assured that once the 10-week truce that we are formally opening today is over, the Government of the Republic of Nicaragua will be willing to reestablish the true purchasing power of the lowest salaries to the levels existing prior to 3 March in the event prices do not decrease enough and the hyperinflationary factor does not disappear.

We wish to reiterate at this time the call for all to unite concerning the program in order to get rid of the inflated prices, increase productivity, improve the channels of distribution, support the conscientious businessmen, buy what is strictly necessary, and save the remaining money to increase our salaries.

Certain that this will be the case, we patriotically invite all Nicaraguans who owe taxes to the treasury or loans to the banks to meet their commitments and debts. The tax evaders and delinquents must change their habits and understand that the fatherland demands a clean slate in our taxes and debts in order to give the people clean bills that will allow us to grow as a dignified and strong nation.

Only in this way can the government implement its financial projects for the small and medium agricultural producers, for the small industrial and business enterprises, and for the construction projects that will generate the jobs that we all want. Only in this way can the government also implement significant credit projects for investment, without imposing further tax burdens on people in the lower income bracket.

Pursuant to the government program offered to the people during the past election campaign, to the procedure protocol during the transfer of presidential power, and to the agreements under the economic and social national consensus, the government reiterates that it will guarantee legitimate land ownership to the peasants who were granted—under the Sandinist Agrarian Reform—temporary land titles for their use. These peasants will be granted permanent land titles. Also, the Nicaraguan families who were granted urban and rural homes by the state, before 25 February 1990, will have a peace of mind as they will be given legal guarantees.

The private sector, the cooperatives, and the state-run companies will be granted legal guarantees and security in order to be incorporated into the common effort to increase production, reconstruct the nation, and implement national development and social progress.

When feasible, properties will be totally or partially restored to those who have been unjustly affected by illegal confiscations. When this is not possible, they will be granted the appropriate compensation or indemnity, in accordance with the state's authority.

This is why the resolutions issued by the National Commission on Revision of Confiscations [Comision Nacional de Revision de Confiscaciones], which does acknowledge those who were unjustly affected, will not serve as a legal document to overturn the rights that other Nicaraguans could have. The legal status and well-being of all has priority over any individual interest.

The Nicaraguan Government publicly urges all citizens—for the common wellfare of all—to respect our Constitution and all our laws in which the right to work, the right to strike, and the fundamental principle that each person's right is limited by the rights of others. This firmly upholds the people's belief on the right to strike but rejects the overtaking of companies.

The economic revolution that we have started with our program "We Support the Cordoba" will spread large and wide, as it has its roots in the political revolution where so much blood and so much sweat has been shed, at a very high cost to the Nicaraguan people.

This is why we call on the international community, the World Bank, the Inter-American Development Bank, the IMF, and the world banking community to support—

decisively and courageously—Nicaraguans' self-determination that encourages the construction of this new overall revolutionary model. This new revolutionary model should serve as an example to Third World brother nations that justly struggle to be liberated from backwardness and poverty.

We applaud the National Assembly's statement, urging all the sectors to adopt a responsible and patriotic stance that will help secure social peace and the nation's stability. We reiterate the government's permanent willingness to engage in a dialogue to resolve the conflicts that come up in the everyday life of the nation. All of this, under the spirit of the national dialogue and reconciliation, has enabled us to avoid staining our glorious flag with our brothers' blood.

EPS Issues Communique on Arms Trafficking Case

PA1403173291 Managua Domestic Service in Spanish 0225 GMT 12 Mar 91

[Communique issued by the Public Relations Directorate of the Sandinist Peoples Army (EPS) in Managua on 11 March]

[Text] The Public Relations Directorate of the Sandinist Peoples Army announces:

1. In mid-February, when Honduran and Nicaraguan media reported on alleged illegal arms trafficking activity involving military officials, the EPS General Staff proceeded to carry out an in-depth investigation to clarify the facts.

2. As a result of these investigations, the authorities ordered the arrest of Lieutenant Ulises Aguirre Acuna, an officer on active duty in the border area of Ocotal, in the 1st Military Region.

3. Statements made by Aguirre Acuna and the investigations carried out by the proper authorities led to the following conclusions:

a. Aguirre Acuna did effectively participate in the illegal transshipment of war materiel in complicity with Honduran and Nicaraguan civilians.

b. The materiel that Aguirre Acuna helped to transport was not obtained personally by him from EPS warehouses. Thus far, the origin of that materiel is unknown.

c. Aguirre Acuna's motives in committing the crime for which he is being investigated were personal.

4. The defendant, Aguirre Acuna, has been remanded to the Judge Advocate's Court for the appropriate trial.

5. The EPS General Command is coordinating with Honduran military authorities to completely resolve this crime.

Released in Managua on 11 March 1991
Public Relations Directorate, EPS

Importance of Coming EEC Meeting Stressed

PA1503044591 Managua Radio Corporacion in Spanish 2300 GMT 13 Mar 91

[Text] Deputy Foreign Minister Ernesto Leal has said that the seventh European and Central American foreign ministers' summit, which is being held in San Jose, is the most important event to be held in our country this year.

The EEC has contributed to the efforts of the Central American governments to minimize the causes of conflict and increase aid in the revitalization of the peace process.

It is expected that even closer economic cooperation agreements will be signed between the two regions during the San Jose conference.

[Begin Leal recording] Since the last conference held in Dublin, not only has the world changed and not only has bipolarity ended and we have entered a multi-polar stage, but Central America has also changed.

Central America is experiencing a new reality because it has defined a new project of democratic reaffirmation and strengthening of dialogue as the only viable solution to all of the region's conflicts and all the internal conflicts in each country.

In a region polarized by war, of societies [words indistinct] in a region of fragile democracy and arms buildup, we are moving on to the construction of societies that respect man's rights and freedoms like the countries of eastern Europe. We are moving on to the construction of societies committed to stopping the arms buildup and societies committed to a new outlook on development.

The Central America of today cannot aspire to measuring its security by the number of troops or the number of weapons it possesses. The Central America of today must measure its security in terms of progress toward development, in terms of eradicating the extreme poverty lived by our peoples, in terms of guaranteeing the nutritional needs, health, education, housing, and in terms of total respect of human dignity.

In that sense, the Central Americans are creating a new model, we are creating a new Central America. That is why the presidents at the Punta Arenas summit in mid-October decided firmly to proclaim Central America as a region of peace, liberty, democracy, and economic development. The Central America of today no longer has a narrow-minded outlook about integration. It is no longer looking to its internal markets, or emphasizing the protectionist measures, or emphasizing the substitution of importations. This new Central America aspires to break the isolation and the narrow-minded view of its markets, to project itself abroad, and to join the international community.

It is a renewed integration effort to participate in those markets, which were previously inaccessible. The Central America that Europe finds today is a Central

America that is becoming a partner with Europe, and a partner to share the fruits of this new stage and this new era.

Dialogue and cooperation today have a new political framework. It is therefore, fundamental, that the international community decide to contribute to strengthen our democratic system to prevent the slow progress achieved thus far from being set back. Now is the time to increase support for the self-sustained development of Central America, in order to bolster peace, consolidate democracy, and begin development in this region.

We Central Americans must move from one era to another so that the processes of pacification and democratization can be strengthened. [end recording]

Panama

Linares Defends Endara, Warns Against 'Anarchy'

PA1503025691 Hamburg DPA in Spanish 0017 GMT 15 Mar 91

[Text] Panama City, 14 Mar (DPA)—Foreign Minister Julio Linares said today that the country is "sliding toward profligacy, anarchy, and the main weapon is slander."

Linares made these statements while commenting on the accusations made against President Guillermo Endara at the parliament. He described the charges as the "most absurd charges conceivable."

The foreign minister said that he felt "frustrated and disappointed because, (with these charges), we are playing with democracy in a daring and dangerous way."

According to Linares, when a president is tried or accused of something, it "must be handled seriously and responsibly." Panamanians must learn to live in democracy or we will end up destroying each other, Linares said.

He explained that when President Endara made the decision, "which none of us liked," to ask the United States for support, he was not trying to submit the country to a foreign power, but to suppress a police rebellion. Linares added that "Panama has not submitted itself to the United States because of that action."

Assembly Commission Drops Charges Against Endara

PA1503013791 Panama City Circuito RPC Television in Spanish 2304 GMT 14 Mar 91

[Text] The Legislative Assembly's credentials commission met this morning to decide whether or not it would hear charges against President Guillermo Endara, who has been accused of abusing his position and endangering the state's internal security.

According to Legislative Assembly President Alonso Fernandez, the Assembly supports, by consensus, the government of President Endara, but it is not accountable for the actions for which Endara is being accused.

[Begin recording] [Fernandez] We told him that we supported him as president of the Republic.

[Reporter] So the idea of asking for the U.S. intervention did not necessarily originate with him?

[Fernandez] I am not sure of that. I was not present when those events took place; therefore, I can not tell you. Whatever they did, however, they did on national territory. [end recording]

Former Legislative Assembly President Carlos Arellano Lennox also commented on this.

[Begin Arellano recording] We condemned the attempted coup, but supported the president in the consolidation of democracy. Let us not be mistaken. We cannot submissively back each and everyone of the government's actions. [end recording]

The meeting lasted several hours. At the end of the meeting, the legislators agreed to drop the abuse of position charge presented by Gilberto Medina for lack of sufficient evidence. Legislator Raul Ossa, chairman of the credentials commission, said that the accusation presented by Legislator Gonzalo Moncada Luna will be studied by the commission on Tuesday.

Endara, Officials on Impeachment Initiative

PA1403230291

[Editorial report] Panamanian newspapers on 14 March carry numerous reports and commentaries in reference to an initiative to impeach President Guillermo Endara Galimany that was heard by the Credentials Commission of the Legislative Assembly on 12 March. Two local lawyers, Gilberto Medina and Gonzalo Moncada, have filed charges against Endara, accusing him of violating the Panamanian Constitution when he asked for assistance from the U.S. Army to crush a rebellion headed by former Coronel Eduardo Herrera on 5 December.

Panama City EL DIARIO INDEPENDIENTE in Spanish carries President Endara's comments to newsmen on the subject in the Yellow Room of the Presidential Palace on 13 March. Endara is quoted as saying that the hearing held by the Credentials Commission was illegal. He said the procedure was lacking the essential element that would make it democratic: "the presence of the accused or his representative." According to the report, Endara said that had he been there to defend himself, he would have noted that the decision to call on the U.S. Army was recommended to him by "government officials" linked to the Public Forces or the National Police, and was subsequently endorsed unanimously by the cabinet and by most of the members of the Legislative Assembly. He said it was "one of the most difficult decisions that a Panamanian can make," but was necessary because the rebellion was a threat to Panama's budding democracy. "We had to

defend our democracy above all," Endara is quoted as saying. He said the charges had no legal backing, and moreover, the alleged misdeeds are not crimes. The report quotes Endara as saying that the proceedings within the Credentials Commission were a "circus," and the impeachment effort "should have died at birth."

A report carried by Panama City EL SIGLO in Spanish states however, that the issue is far from dead. It states that the nine members from all parties who make up the Credentials Commission declared a 48-hour recess before deciding whether the charges should be admitted.

A report by James Aparicio on the front page of Panama City LA ESTRELLA DE PANAMA in Spanish indicates that Endara is opposed to having the impeachment suit brought before the plenary Legislative Assembly. The reporter adds: "If the Legislature rules against Endara, he could be removed from his post and tried for a crime that carries a penalty of from 15 to 20 years imprisonment."

In support of Endara's position, Ebrahim Asvat, chief of the National Police, is quoted in an article carried by Panama City CRITICA LIBRE in Spanish as saying that the decision to ask for U.S. Army intervention on 5 December was a "political" one, because it was felt that the country's democracy was in danger. He said that all the members of the government "reached the conclusion that we needed the assistance of the U.S. Army in order to wake up in democracy." Asked what constitutional provision authorizes the use of the U.S. Army to "wake up in democracy," Asvat reportedly suggested that the question be referred to President Endara.

Panama City LA PRENSA in Spanish in its front-page "As of Today" editorial column also supports President Endara. It says: "No one can convince Panamanians that Eduardo Herrera's escape and the uprising that he led were insignificant matters, especially when they came in coordination with a demonstration by government workers, and a call by labor leaders of government employees' union for a strike that was obviously political in nature." The column states: the president's actions were unobjectionable. If he deserves any criticism, it is for his government's delay in adopting the necessary measures to forestall future uprisings."

Members of the Credentials Commission responded to Endara's comments. Panama City EL PANAMA AMERICA in Spanish carries a report stating that commission members Miguel Cardenas and Leo Gonzalez, legislators for the Nationalist Liberal Republican Movement, a progovernment party, defended the commission's decision to hear the two lawyers filing the suit. Cardenas is quoted as saying: "This is not a juridical circus. It is our duty as members of the commission to hear the charges. Actually, it is an authentic interplay of democracy."

EL SIGLO carries a report citing commission chairman Raul Ossa, a member of the pro-government Christian Democratic Party, as saying that President Endara's words were "unfortunate." Ossa is quoted as saying that in an era of democracy, "we are providing the opportunity for the entire public, especially legislators, to form clear and specific opinions...." The report cites Ossa as saying that the legislators did no more than listen to the charges being made against Endara but, he said, "there are people who want to continue the style of the dictatorship while living in democracy."

EL PANAMA AMERICA carries a front-page report by Orlando Mendieta C., which quotes Ossa as saying further that the president of the Republic should know better than anyone else that the members of the commission, as members of political parties and as deputies, "are loyal to his government." The report cites Ossa as saying that it would be "absurd" for anyone who believes in the democratic process to try to destabilize the Endara administration, "because the entire system would be harmed and imperiled, and would probably fall."

Argentina

Menem on Corruption, Strikes, Other Issues

PY1503034291 Buenos Aires TELAM in Spanish 1845 GMT 14 Mar 91

[Text] Buenos Aires, 14 Mar (TELAM)—President Carlos Menem has said that he "fully" agrees with the contents of an Argentine Episcopal Conference document which asserts that there is generalized corruption in the country. Menem added that the Argentine people must report wrongdoing and cooperate to reverse that situation.

Speaking with Radio America Menem said that he had lunch with Monsignor Antonio Quarracino, archbishop of Buenos Aires and Argentine primate, who revealed to him the contents of the document a few hours before it was released to the public. Menem said that Quarracino encouraged him to continue governing as he is doing and to continue combatting corruption as much as possible.

Menem indicated that the government implemented strong actions to fight corruption and that the church document confirms what he said almost two years ago.

Menem said: We need the cooperation of the Argentine people. They should make reports, say things, give evidence because we cannot get the courts to act if we do not have the evidence for a sentence.

Menem said: Wherever the scalpel cuts, puss squirts out. He added that friendship will not deter him in the struggle against corruption.

Menem also said that in the past no one dared do anything because people were afraid of some strong unions and business sectors. He added that the merit of this government is that it brings everything to light and asks the people for support in this task.

He said: Discouragement and frustration prevail because the corruption issue is generalized in all sectors. We are going to end up stained by the same thing. Be it because of a campaign by leftist sectors or by the Plaza de Mayo Mothers, so it is that the Armed Forces are considered murderers, government officials are corrupt, and businessmen are thieves.

President Menem also confirmed that Jose Maria Castineira de Dios will become under secretary of culture replacing Julio Barbaro who resigned and that historian Enrique Pavon Pereyra will be head the National Library.

Regarding the conflicts with the railroad workers and teachers unions, Menem emphasized the government "firmness" on this issue. He confirmed that telegrams dismissing the railroad workers still on strike are being sent. He said: No other previous government implemented this measure with so much responsibility and integrity. He recalled how afraid past governments were of some strong union sectors.

Regarding the position of the Argentine Agrarian Federation which announced a strike for next week Menem said: The federation has been demanding exchange and price freedom, and the elimination of the withholding of dollars from exports. We fulfilled its demands but there will be a strike anyway. One does not know what to think.

Regarding the murder of Maria Soledad, the president said that he will order the intervention of the Catamarca judicial branch after he gets concrete evidence of what Judge Ventimiglia, who is in charge of the investigation, said on everything being rotten there.

Menem said: Ventimiglia's statement that both the dossier and the judicial branch are rotten must be submitted to me in writing, and the following day I will intervene in that judicial branch. It would be irresponsible to intervene without having evidence.

Menem also said that he will not come out in defense of the Yoma family which was accused of illegal activities by a Spanish magazine. He said: The family asked me not to intervene in order not to involve the government. Menem added that Spanish President Felipe Gonzalez was angry about the article published in CAMBIO 16. Menem concluded by saying that Gonzalez told him that CAMBIO 16 is a permanent source of libel which created problems for him and for the royal family with accusations which ended up in nothing.

Denounces 'Plot' Against Family

PY1403223091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1744 GMT 14 Mar 91

[Text] Buenos Aires, 14 Mar (NA)—President Carlos Menem denounced the existence of "a plot orchestrated by some international political sectors" that seeks to discredit his family. Menem was referring to the alleged connection of his wife Zulema Yoma's brothers with drug trafficking.

Changing the subject, Menem said he "does not care what the Communist Party of Cuba thinks" about Argentina's decision a few days ago in Geneva when it voted in favor of an investigation into violations of human rights in Cuba.

Menem said: "I strive for Latin American and Argentine interests. Therefore, I do not care what the Communist Party of Cuba thinks" about this Argentine decision.

Menem also reiterated that he thought Saddam Husayn "is crazy and is obviously another war criminal in view of all the deaths he has caused."

President Menem spoke during an interview on the afternoon of Wednesday, 13 March, at his office in Government House to the Mexican television network "Eco."

Regarding recent charges, later on [words indistinct] by the Spanish court against members of the Yoma family, who are allegedly involved in drug trafficking, Menem

said: "There is a plot being orchestrated by sectors of the international political community."

Menem added: "Since they cannot say anything about the president, they choose to talk about my family who has asked me not to stick up for them, they say they will defend themselves."

President Menem added: "What people are doing to us now, not to the government but to the well meaning people who have been working for the country for many years, is wicked."

He then identified those sectors as "political groups that have little chances of success in the Argentine Republic, [words indistinct] sectors linked to the extreme left."

Referring to Cuba's problem with Argentina's decision to favor an investigation into violation of human rights on the island, Menem said that the decision to vote in favor of sending a mission to Cuba was "logical."

Menem maintained: "I believe, as is only logical and normal, that investigations should be carried out in Cuba just as I would want possible violation of human rights in Argentina to be investigated."

Menem briefly criticized Fidel Castro's regime stating that "at this international moment one cannot remain isolated or with the doors closed to the world."

He once again defended the Argentine decision to join the international coalition that defeated Husayn and said that because of this decision Argentina "has once again been recognized and congratulated," after two years "during which we were not even mentioned."

Menem noted: "Because of this attitude, Argentina became one of 28 founder countries of this new international order."

Bolivia

Spokesman on Capobianco, Upcoming Cabinet Meeting

PY1403135491 La Paz Radio Fides in Spanish 1100 GMT 14 Mar 91

[Text] Information Under Secretary Mario Rueda Pena has nervously ruled out any possibility of a cabinet crisis occurring.

[Begin recording] [Rueda Pena] The president of the Republic has taken into account the fact that the resignation of the interior minister is irrevocable. The minister will continue to carry out his duties until the president, by virtue of his constitutional powers, appoints a new minister.

[Reporter] Minister....

[Rueda Pena, interrupting] Tomorrow there will be a crisis, excuse me, there will be a cabinet meeting. Activities continue as usual during normal times. [end recording]

New Commander of Antinarcotics Force Appointed

PY1503010091 La Paz La Red Panamericana in Spanish 0000 GMT 15 Mar 91

[Excerpt] The new commander of the Antinarcotics Force was installed tonight during a ceremony at the Interior Ministry. The government of President Jaime Paz Zamora has appointed General Elias Gutierrez, who will have the delicate task of dealing with the drug trafficking mafia.

Gen. Gutierrez replaces Colonel Faustino Rico Toro who in turn replaced General Lucio Anez Rivera who resigned for health reasons. [passage omitted]

MIR Chief, Minister Deny Governmental 'Crisis'

PY1503024091 La Paz La Red Panamericana in Spanish 0000 GMT 15 Mar 91

[Excerpts] Oscar Eid Franco, leader of the MIR [Movement of the Revolutionary Left] New Majority faction, said today that the position of interior minister should continue to be the responsibility of a member of the MIR-New Majority.

Eid Franco made this comment at Government House this afternoon where he attended the cabinet meeting called by President Jaime Paz Zamora to discuss several issues of national interest in the economic and political fields.

Eid was asked about the political crisis which reportedly emerged in the MIR after Interior Minister Guillermo Capobianco resigned. Eid reiterated that the comments about a crisis in the executive branch are groundless. He added: The president decided to keep his cabinet and to carefully study who is going to replace Capobianco. [passage omitted]

Guillermo Fortun Suarez, minister without a portfolio and deputy chief of the ADN [Nationalist Democratic Action], said that the political structure of the government has not been affected by the impasse between the U.S. and Bolivian Governments (?as a result) of the accusations made by some U.S. media against Bolivian officials. He admitted, however, that the government is facing a delicate situation after the resignation of Minister Capobianco but that it is a transitory problem.

[Begin Fortun recording] This is a situation that any government may experience with some kind of difficulty. I believe that this [words indistinct]. This situation under no circumstance is going to weaken the structure of the government of national unity because [words indistinct] solid structure. General Hugo Banzer, Oscar Eid, and myself met with President Jaime Paz yesterday. We made a thorough evaluation of our parties' internal policies, and we found that the strength of our political organizations is reflected in the Patriotic Agreement despite the problems which are normal and within our calculations in the political field. [end recording]

Fortun Suarez added that the government is engaged in fighting corruption and that this policy has been demonstrated by actions implemented at various government levels. He also said that the ADN has not officially lobbied the president to get one of its party members to fill the position of interior minister. He concluded by saying that the appointment of a new minister is up to the president.

Impeachment of Supreme Court Justices Continues

PY1403001891 La Paz PRESENCIA in Spanish 9 Mar 91 p 1

[Excerpt] The Patriotic Agreement yesterday virtually precluded all possibility of continuing with the existing arrangement regarding the impeachment of eight Supreme Court Justices, rejected the opposition proposal, and reaffirmed its decision to prosecute those accused.

The decision was adopted in Santa Cruz following a meeting of the Patriotic Agreement Political Council [Copap], which is headed by Hugo Banzer.

The opposition parties proposal calls for the suspension of the impeachment proceedings against the justices and their reinstatement into the Supreme Court, which will facilitate the functioning of the Judicial Branch. It also proposes that all the justices, those facing impeachment and those who have completed their tenure, be gradually replaced by August 1991.

This proposal is the only legal way out according to the opposition. However, after a four-hour meeting by the Copap, the ruling coalition agreed to continue with the impeachment and the sentencing of the accused Supreme Court Justices. According to Banzer, the proposal of the opposition parties was rejected because it was considered political and not juridical.

"The decision to impeach complies with the agreement signed on 5 February and would be a purely juridical solution," Banzer said. [passage omitted]

Brazil

Collor Tries To Muster Congressional Support

PY1303205891 Sao Paulo FOLHA DE SAO PAULO in Portuguese 10 Mar 91 First Section p 5

[By Brasilia correspondent Lucio Vaz]

[Text] The threat that a bill regulating the promulgation of provisional measures could have been approved this week has prompted President Fernando Collor de Mello to shift his political strategy. He is now trying to make up with old allies such as the PFL [Liberal Front Party], the PDS [Social Democratic Party], the PTB [Brazilian Labor Party], the PDC [Christian Democratic Party], and the PL [Liberal Party].

Small favors for congressmen again became the currency of negotiation—a practice known as clientelism [clientelismo], and the results have been highly productive. Collor managed to stop the approval of a bill that sought to prevent the reissuance of provisional measures.

An evaluation of the voting records, however, shows that the regrouping of the government bloc was not complete. The main focus of resistance is to be found in the PTB, whose bloc leader, Gastone Righi (Sao Paulo), voted against the government on the most controversial provision of the bill, and managed to drag four other votes with him.

The government is encouraged by the fact that 18 PTB deputies voted with the government bloc, disobeying the directives of their leaders. The rebellion within the PTB broke out 20 days ago when a group of 21 deputies linked with the government signed a document proposing the removal of Gastone Righi. The PTB bloc leader retained his post but the bloc has remained divided.

The numbers taken from the voting records were taken to President Collor on Friday by the government leader Humberto Souto (PFL from Minas Gerais). The records showed that of the 78 votes, of the PTB, PDS, PDC, and PL, only 10 were against the government proposal.

"The government has shown that it has support and consistency," Souto said. He believes that the PTB, PDS, PDC, and PL are definitively aligned with the government, although he recognizes that the PTB still poses some problems. "Our adversaries—the PMDB [Brazilian Democratic Mobilization Party], PDT [Labor Democratic Party], and PT [Workers Party]—keep us together," Souto said.

In a recent conversation with PDS leader Victor Faccioni (Rio Grande do Sul), Collor recalled: "We have the same background." This observation is also valid for the PL, PDC, and a good chunk of the PTB bloc. PL leader Ricardo Izar (Sao Paulo) noted the programmatic and ideological identity of his party with the government.

The direct involvement of the president and the ministers with the pro-government base was missing. Collor tried to build a social-democratic base and vainly sought the support of the Tucans [PSDB—Brazilian Democratic Social Party].

This week, the progovernment congressmen invaded the Planalto Palace and the ministerial offices, asking that resources be released for the construction of bridges, universities, and schools.

PDC leader Eduardo Siqueira Campos (Tocantins State) was received on Thursday by Collor, and came out with the promise that the Tocantins State University will be federalized. Justice Minister Jarbas Passarinho was a witness.

PRN [National Reconstruction Party] leader Arnaldo Faria de Sa (Sao Paulo) affirms that Collor's ministers

"are learning politics." Humberto Souto said that contacts with the progovernment congressmen who have recently strayed will continue this week when the voting on the bill regulating the promulgation of provisional measures will be concluded.

Souto prepared a list of congressmen from the PDS, PTB, PDC, and PL who must be approached. He also intends to talk with the PTB leaders. The PMDB, PDT, PT, and the PSDB hold 250 votes—just two votes short of the absolute majority.

President Collor Announces Reconstruction Plan

PY1403153091 Rio de Janeiro Rede Globo Television in Portuguese 1120 GMT 14 Mar 91

[Speech by President Fernando Collor de Mello to the cabinet, congressional leaders, and the nation from Planalto Palace in Brasilia—live]

[Text] Mr. Vice President of the Republic, leaders of the National Congress, Ministers of state, Secretaries of government, ladies and gentlemen:

On 15 March 1990 I assumed the office of the Presidency of the Republic to comply with the mandate bestowed upon me by the majority of Brazilians. At that time I was—and I still am—clearly aware of the fact that this represents the most honorable and most difficult challenge in the life of a public man.

We were celebrating the completion of a long democratization process in our country's political life, a struggle that would not have been successful without the mobilization of all organized sectors of our society.

After more than two decades of exceptional regimes, the inauguration of this government marked Brazil's definitive return to liberty and the rule of the people's will. The Presidency of the Republic ceased to be a source of power in itself and became a legitimate and concrete expression of the nation's aspirations.

Mr. Vice President, leaders of Congress, Ministers, and Secretaries, upon taking office at the National Congress, I talked about two key points in my National Reconstruction Project: democracy and citizenship. I also spoke about inflation being our worst enemy, state reform and economic modernization, environmental concerns, the challenge of the social debt, and Brazil's position in today's world.

Recalling these issues, we can confirm that the government has complied with all the commitments it assumed. In all those fields, we played the proper role in leading and inspiring efforts to transform the national reality through development with social justice.

Regarding the strengthening and fine-tuning of democracy, the government made a fundamental move: It practiced democracy, strictly observing the word and spirit of the Constitution, working to bring an end to the culture of paternalistic authoritarianism, and demonstrating that the only way is the way of agreement.

We always insisted that no government could resolve the problems of a society by itself. Only society could redeem itself.

Since 15 March 1990, the belief that has been guiding my government is perfectly attuned not only to the electoral commitments I assumed but also to the nation's consensual demands.

In its first year, the government's attention was focused on the huge challenge of immediately tackling the main problems affecting the population, undermining the stability and credibility of institutions, and even threatening the government's ability to govern the country.

Some of our initiatives were confused with voluntarism. As the months went by, it became clear that there was no alternative, that we were truly facing situations that urgently required solutions.

The use of the provisional measure mechanism has not been aimed in any way at denigrating the other established branches or at demonstrating a lack of trust in the practice of dialogue. No. It is a mechanism established by the Constitution which the president of the Republic can implement in important or urgent cases. This requirement has always been present in the situations in which the president of the Republic has used this constitutional prerogative.

Those misunderstandings are being overcome. Today we govern through negotiation and dialogue. Last year's elections renewed the National Congress and state governments and assemblies. We do not have ideological or party affinities, but we live under the influence of this recent contact with voters, a direct contact that expressed to the government what voters think about and want for the country.

A year ago I said that I wanted sincere support as much as objective and rational criticism of my proposals. State governors will be installed tomorrow. This will be another occasion of civic enjoyment that I want to share with you. I also hope it will mark the beginning of a new stage for our ideals of national reconstruction. This is the goal of the entire population, and state and municipal authorities must give it their decisive support if it is going to become a reality.

Mr. Vice President of the Republic, leaders of the National Congress, Ministers, Secretaries, ladies and gentlemen, the Brazilian people have clearly shown through their votes that they want changes, a transformation of the country. Society's legitimate and sovereign goals are the strengthening of democracy, the definitive establishment of social justice, continuous development, and the modernization of society. These goals will mark the paths of government action.

Today I invite all Brazilians to consider a proposal to strive together for a better future. I am talking about the

document entitled "Brazil: A National Reconstruction Project." This proposal is an attempt to translate the continued willingness to transform the country into attainable, efficient, and rational goals, and it is a logical continuation of the general plan approved by the people in the 1989 election. That plan was not just a short-term plan to solve emergency situations. This project reveals the government's ideals for consciously planning for the long term.

We are going through a period of national change. We are designing the shape of a new Brazil, the foundations of which were laid on 15 March 1990. Broad and far-reaching projects like this one are necessary to orient and provide direction for the actions of government and society. It is made up of a set of ideas and alternatives for general debate at all levels. The plan is an opportunity to liberate Brazil from the chains of improvisation and shortsightedness and to provide a first look at what Brazil can become in the third millennium.

The document "Brazil: A National Reconstruction Project" is not an attempt to establish a finished or unchangeable formula. A country is not transformed through government projects alone. The deep changes we hope for must be the result of a project involving all society, with a truly national scope. Changes must result from the mobilization of the entire nation. It is high time to bring an end to policies that favor special, regional, or sectorial interests. It is high time to bring an end to individual or local needs. Above all, the future of the nation demands patriotism and greatness.

Ladies and gentlemen, Brazil moved off the main path of history in the 1980's. This period is regretfully called the lost decade. The Brazilian state apparatus grew disproportionately large during this decade, and it began to occupy a previously unheard of amount of space in the national productive process.

Instead of generating wealth and encouraging development, this hypertrophy of the state has made us waste scarce resources and create inefficient sectors, which only increased the distortions and mistakes of the past.

It is important to note that the world witnessed an unprecedented technological and economic revolution during this same period. We can also see a progressive dissociation of the state apparatus from the productive process and the growing importance of private initiative in improving the material well-being of the people. Brazil was thus swimming against the tide of history.

We lacked direction and leadership in a national project. National determination was disconnected and fragile at a time of real acceleration in the history of humanity. Where state participation was most necessary—such as in investment and infrastructure, the improvement of the education system, the promotion of scientific and technological research, urban planning, and the debate over great national projects—the government's performance was well below what was needed or desired.

The dramatic results of that situation are still causing consequences which hinder the construction of a modern, developed, and fair society. However, the country cannot give in to despair. The country cannot and will not give in to skepticism or defeat, because as time passes the problems multiply and worsen. Lack of action generates more misery, insecurity, and instability. Solutions must quickly be adopted, and they must be increasingly efficient. It is not enough, as in the past, to administrate the crisis. It is necessary to overcome it, and we will do so.

The economy is always the result of actions by people, *not* of their intentions. It is therefore time to launch a project to rescue our future by defining coherent objectives that express true national understanding. It is necessary for each individual to contribute in the reconstruction of what we lost and in the construction of what we never had. Brazilians should be ashamed of the terrible social scene that surrounds them. We must fight to establish a new concept of ethics based on solidarity, consideration for our brothers and sisters, and respect for the dignity of each person.

The time has come for each person to ask what they can do for Brazil and not what Brazil can do for them. "Brazil: A National Reconstruction Project," is just a seed. It is an invitation to reflect, to practice democracy. The document represents a new, innovative process of governing. The project will only be complete with the full participation of politicians, workers, and businessmen, of all civilian society. Some of its goals and proposals have been totally developed, while others have only been written down. Nevertheless, these proposals are the result of common, pressing demands from the citizenry. In a more advanced stage, they will give way to new instruments aimed at their actual completion. They may even result in constitutional amendments, a natural step in a consolidating democracy.

The continuing debate at all levels is the essence of the process of change and institutional improvement. We have reached a new stage in which the urgent measures adopted in the first year of my administration are providing the guidelines for restoring the country's growth. Progress and justice are ideas which imply a new impetus.

This project is aimed at the Brazilian nation. This is the right way to submit it to Congress, which is the main representative of the people. Congress will conduct the advanced, necessary debate on the future of Brazil. Civilian society must be taken into account, since the debate deals with the future of our people. Everybody should voice their opinions and criticism because this is the ethical and political responsibility of each Brazilian. Public spirit must prevail over the indifference and the opportunism of some sectors. I expect a mature and constructive reaction to this project because it is Brazil's irreversible step into modernity that is at stake. The definitive resolution of the country's huge social debt is in the hands of society.

It would be immoral to continue to passively stand by as one of the nations with the worst distributions of income in the world. Unfortunately, we are seen as a symbol of social injustice. We cannot allow this situation to continue. We have to assume full responsibility for changing this situation.

We must put an end to state paternalism; it is necessary to end this false welfare system. We can only accomplish this with a combined effort. It is not up to the government to impose a project for social change; we need society to participate in the implementation of any project. The government is just an instrument to be used to reach the objective.

This document—"Brazil: A National Reconstruction Project"—represents a challenging step in both the economic and social sectors. It defines new bases for economic growth and new paths for paying our social debts. The document suggests a new definition of government functions and purposes and proposes a new structure of cooperation for the state and society through the restructuring of public expenditures, decentralization, shared responsibility among different government organs, and the discussion of legal grounds upon which the active participation of the private sector in public services can be based.

Our savings in foreign banks will again contribute to our national development if we establish fixed rules and more economic flexibility. The private sector must assume a basic role in modernizing the productive structure of the country and solving social unbalances. The state must seek new relations with the private sector. These relations must overcome the false division between the state and the market. This is the path that developed nations have been successfully following. It is not our intention to copy formulas used elsewhere, but we must study the experiences that succeeded in other countries. Brazil has the potential to create a model society.

The reconstruction project is comprehensive and tries to systematize government actions in important areas that are essential to the modernization process. The plan is aimed at stimulating new relations between capital and labor and between the state and society. It proposes greater investments in the field of infrastructure, fundamental changes in the social area, the development of research in science and technology, and a new impetus to reform the state apparatus.

Effective actions will be coordinated in the cultural sector in keeping with our modernization goals. It would be unthinkable for us to achieve a higher standard of social well-being without promoting a revolution in education, in the tragic conditions that exist among the children and the Indian populations. These issues must be addressed by society as a whole.

The reconstruction project adopts measures, suggests systematic goals, and seeks decisive solutions for the major social needs that still affect the Brazilian people.

We have taken decisive steps toward reforming the state during the past 12 months. We eliminated the perquisites enjoyed by government officials that provoked justifiable indignation.

As you well know, the public sector is today governed by an unprecedented policy of austerity in the history of our country. This policy has yielded tangible results: In 1990, we registered a 1-percent surplus in the overall accounts of the public sector. This figure acquires even greater significance if we note that we estimated a 9-percent deficit for 1990, and we registered a 1- percent surplus. The fiscal adjustment stood then at 10 percent, which is absolutely unprecedented in Brazilian history and reflects the government's unwavering decision to change the nature of the state.

We are reforming an apparatus that was increasingly serving bureaucratic interests, cronies, and groups. We want it, once and for all, to be placed at the service of society, which should be the raison d'etre of public services in this country and elsewhere.

Our deregulation program has marked a major turn in this direction because it has removed red tape and has thus made daily life easier for the people. The ultimate goal is to see that people are treated with due consideration. We will have fewer lines, less delays, shorter breaks. We are vigorously working to fully implement these changes as soon as possible.

I repeat that the reform of the state is truly a basic condition for promoting national reconstruction and it has thus been given a central role in the document that I am today submitting to the nation. What we need, my friends, is more Brazil and less Brasilia.

The implementation of the Code for the Protection and Defense of Consumers is a major step toward regulating the production of goods and services in the country. Quality control of production standards has been instrumental in bringing greater discipline to the market which is beneficial for consumers and businessmen alike. In addition to giving more information on the quality of products to consumers, it promotes greater rationalization in the production process and a fairer, clearer competition among companies. The code places consumers and companies on an equal footing in terms of their rights and duties.

Messrs. vice president, leaders of the National Congress, cabinet Ministers, government Secretaries, ladies and gentlemen: We are slowly implementing in the environmental area what we will have to do in the social area. From being a passive target of international criticism, Brazil has assumed an active role in the struggle that everyone is waging to defend the ecology. We began by adopting a crystal-clear position. We no longer avail ourselves of pseudo- nationalistic arguments to justify what is absolutely unjustifiable.

We have accepted criticism, we have admitted our errors whenever justified, and we have taken concrete steps to

correct them. We cannot say that our human nature will protect us from irresponsible or from destructive action, yet a collective awareness has emerged and has given rise to a new attitude on the part of the people. This new attitude has given impulse to the work by the government.

In this field, like in may others, Brazil has today a new image. The possibility of causing economic discord has in some developed countries reduced public interest in the environment. Even though immersed in its own particular difficulties, Brazil continues to attach the highest priority to the issue.

As the host country of the United Nations conference on environment and development—which was named Rio '92—Brazil is trying to convince the international community that the level of cooperation should match the importance of environmental preservation for the whole of mankind.

Our national reconstruction project is imbued with concern for the environment, which will be an integration factor in the development model that we want for the new Brazil.

Ladies and gentlemen: A favorable place in the international arena is a necessary factor in the national reconstruction project and in the mobilization of the national will. Achieving a favorable place in the international arena will depend on our clear understanding of the international process, which is undergoing a critical stage of transformation.

The beginning of my government term coincided with a positive moment of international relations, with the end of the cold war and the end of the division of the planet from an ideological and a strategical viewpoint.

Yet events have shown that the international arena is not free from tension. Neither is it free from the inflexibility that has unfortunately deadlocked the negotiations in search for more modern and efficient rules for economic exchange among nations.

Serious economic and political challenges lie ahead of us, and this is the time to intensify our analysis of the role that Brazil will play in international relations in the third millennium.

It is therefore necessary to achieve a favorable position in the international community, an objective that has already begun to be achieved with the new Brazilian image in the eyes of the international public. This process has yielded self-evident profit from the viewpoint of credibility. We want urgently to become a major international factor, so that we can give our opinion and exercise influence on the subjects that affect Brazilian interests.

Our foreign policy must serve the national reconstruction by promoting a strategy of competitive integration between Brazil and the dynamic centers of the international economy.

We will continue to express our permanent support for dialogue, our commitment to universal peace, and our support for the rules of coexistence among nations based on the principles of the United Nations.

Here are some of the Brazilian positions that have promoted an atmosphere of confidence and credibility for Brazilian foreign policy: our defense of international law, as we did during the Persian Gulf war; our adoption of transparent attitudes in the field of nuclear policy, which was developed within the significant framework of the accord we signed with Argentina; our pioneering position in the struggle for the environment; our firm promotion of human rights; our objectives and our democratization of relations among nations; our permanent devotion to peace; our attitude in support of integration with our neighbors; and our struggle for freer and more just rules within the GATT.

We now envisage the possibility of deep political changes in the international system. We want to participate in the construction of this system because the values of peace, dialogue, and cooperation—which we believe to be essential for building a new world—are central to Brazilian foreign policy.

We are living a moment of historic opportunities. Brazil's reconstruction requires world peace and we will be able to contribute to the final strengthening of this peace.

Moreover, concerning our international relations, we are conducting our foreign debt negotiations as we promised—with frankness, with loyalty, and without any spirit of confrontation. Our goal is to reach an agreement that will satisfy all parties.

From Brazil's viewpoint, we will not give up our right to assign absolute priority to the country's economic growth. We hope that our creditors understand that this is the line that we will always follow.

Ladies and gentlemen, returning to the main points of the speech that I delivered when I took office in the National Congress, I see that throughout this first year of government we took initiatives in all the areas that we defined as priority.

We can be proud of the resolve and the boldness with which the entire government acted during this first year.

Governments must judge and must also be judged in keeping with what was within their reach, and not base it on unrealistic expectations of changing reality.

It is important to repeat that no government alone can change a country. Governments can inspire and lead the transformations that society effectively wants and strives to achieve. The nations that engage in great internal transformations must have a clear notion of their historic time.

Problems and challenges like the ones that lie ahead of us are not overcome overnight. It is necessary to have patience. It is necessary to persevere. It is necessary to

always advance with confidence, with faith in dialogue. This was how people have achieved political, economic, social, and cultural development.

Today, Brazil has a government that governs, that carries out, within the limits of the Constitution, the mandate bestowed upon it by the people.

The government has a commitment with the society that elected it. Likewise, the society has a commitment with the government that is the result of its choice.

The government's success will represent a victory for the nation that instituted it. The difficulties that we are now confronting and the huge problems that we are struggling to overcome are challenges not only to the government, my friends, but to the entire nation.

The executive branch, the legislative branch, the judicial branch, the state and municipal governments, workers and entrepreneurs, and all of us Brazilians are forging Brazilian history.

State servants, both civilian and military, must continue to help the cause of national reconstruction with the sacrifice that they are demonstrating, their public spirit, and their faith in the democratic ideal.

The document, "Brazil: A National Reconstruction Project," has undeniable qualities that commend it to the entire citizenry.

The government proposes; the government does not impose.

Mr. Vice President of the Republic; Messrs. leaders of the National Congress, Ministers of state, Secretaries of government: As president of the Republic, I am enjoying the confidence of all Brazilians. I am not—in any way—going to frustrate this confidence—no matter what happens.

Within the next four years, the government and society will jointly continue to carry out the program that the nation approved through the ballot boxes—with determination, with absolute determination, with great optimism, and with a huge faith in Brazil's future of grandeur.

No difficulty, no difficulty will stop us and I am certain that, as usual, God will help us.

Thank you very much.

Chile

* Domestic Arms Industry Capabilities Assessed

91WC0057A Santiago EL MERCURIO in Spanish 27 Jan 91 pp D-1, D-3

[Article by Jessica Herschman]

[Text] The controversy involving the PSP [Popular Socialist Party] and in which the son of the commander in chief of the Armed Forces, Augusto Pinochet, has been embroiled, combined with efforts made by two Chilean enterprises to export weapons to Saudi Arabia, has once again put the national arms industry on the front pages.

Actually, the mere mention of the possibility of selling weapons to countries involved in the conflict in the Middle East generated a heated controversy into which all quarters soon plunged. Politicians, businessmen, representatives of the Church and others did not pass up this opportunity to express their opinions on the subject. Finally, the news that Cardoen Industries had given up filing for the authorization in question soothed everyone's nerves.

However, other than the controversy itself, not much is known about weapons manufacturing in our country except for the fact that Chilean technology is among the most advanced in Latin America.

The weapons industry had its start in Chile over 170 years ago when Army Ordnance, FAMAE, ordered the manufacture and repair of weapons for our nation's troops. Today, both government and private companies comprise the sector. The goal is to meet the needs of the Armed Forces, achieve self-sufficiency and, naturally, sell the product.

However, the greatest boost to this industrial boom unquestionably came from Edward Kennedy when he proposed placing an arms embargo on our country. Forced to become self-sufficient, small defense industries began to spring up and have gradually evolved and diversified in keeping with national and foreign demand.

Such is the case of FAMAE, [Army Ordnance] which produces everything from flares to bombs, mortars, and antipersonnel and antitank mines and engages in commercial trade with Ecuador and other countries. It denies exporting any kind of weapon to the Gulf because to engage in any such transaction, authorization must first be obtained from the Ministry of Defense.

From a commercial standpoint, such a procedure is bureaucratic and inefficient for private enterprise. However, one cannot ignore the moral considerations connected with this "nontraditional" export product.

The arms market is among the most complex, not only because it requires advanced technology and large investments, but also because of the demanding consumer public it supplies. This without mentioning the fact that our rivals are none other than the great powers, with which a Third World country with practically no technological tradition cannot compete.

On this point, commercial engineer and weapons expert Daniel Prieto Vial says: "Countries which do not develop their own technology can never achieve a good bargaining position with the great powers and, as a result, continue a structural policy of dependency which in the long run turns them into uncertain countries. At the present time, Chile supplies no more than three

percent of its own defense needs. The remaining 97 percent must be bought elsewhere. The ideal is to produce at least 30 percent of one's own technology so as to enable one to bargain, manufacture in partnership, and thus achieve autonomy."

Despite its limitations, our national industry has risen to third place in Latin America in record time, 13 years, and currently produces everything from helicopters to helmets, not to mention the co-manufacture of component parts used in the most advanced aircraft in the world, the latter thanks to its partnership with foreign firms such as CASA [Aeronautic Constructions] of Spain and the Israeli ELTA [expansion unknown] and IAI [Israeli Aeronautical Industry], which permitted indispensable scientific interchange, backing, and access to main markets.

Vanguard

The National Aeronautical Enterprise, ENAER, is one of the most advanced in the country, technologically speaking, and while it is autonomous, its main contracts are with the FACh [Chilean Armed Forces]. It was founded in 1984 and within a scant seven years has managed to design, manufacture, and rebuild aircraft. The latter, done under the supervision of the IAI, enables it to save the country hundreds of thousands of dollars by doing structural modifications in certain airships, modernizing their electronic and radar control systems, giving them a new name, and putting them into circulation once again, thus eliminating the need to buy new aircraft. For example, after a series of local transformations, the Mirage 50 was redubbed the Mirage Pantera.

The first product ENAER marketed was the Pillan trainer, completely built in Chile and already exported to two countries. Next came the Aucan, a turbine-engine model of the Pillan, co-produced with CASA of Spain, and the Namcu, "Aguilucho," 100-percent nationally designed, whose light weight makes it ideal for the civilian sports aircraft market.

The progress and experience achieved by ENAER have transcended borders, and even such a firm as British Aerospace, which enjoys international renown, has proposed the joint manufacture of parts for the most advanced aircraft on the market, including the Hawk trainer and fighter and the Airbus A-320.

Famous "Cluster Bombs"

"Considering Chile's higher interests, I have decided to give up the possibility of concluding any type of arms sale to the warring countries."

With these words, Carlos Cardoen ended the controversy that began with his request to the government to sell arms to Saudi Arabia. Such permission would, in a sense, force the Executive Branch to take a clear stand on the conflict.

Menem's announcement that "Argentina is not neutral" and the subsequent sending of a frigate and a corvette awakened sympathies in some sectors of our country for arms sales to allies as a way of demonstrating support. For others, however, it signified approval of the war.

Although a newcomer to the arms trade, Cardoen has shown an incredible ability to react to foreign demand, and his products range from the most basic hand grenades to the most sophisticated armored vehicles.

He is the world's leading producer of the so-called "cluster bombs" which Iraq has and which became famous during that country's war with Iran. Few will forget the mysterious 747 jumbo jets that landed on the tarmac of our airport to pick up Cardoen products. The cluster bomb is a hi-tech device that bursts in the air after being dropped by a plane, releasing, in the case of a 500-pound bomb, 240 "bomblets" over a vast area. Each of these has an antipersonnel, antitank, and incendiary effect covering an area of concentrated damage of some 50,000 square meters.

The company also makes all-purpose bombs for helicopters, antisubmarine devices, mines, rocket launchers, and directional fragmentation elements. Armored vehicles it manufactures include the 6X6 VTP-1 Orca, the VTP-2 personnel transport vehicle, and the semicaterpillar BMX-1 Alacran, which can be equipped with the most diverse antitank, antiaircraft, or antipersonnel weapons and which withstands fire.

Its greatest novelty is unquestionably the multipurpose Bell 206L-III helicopter, which can be used for nonmilitary purposes (fighting fires, for example), which is sold with a maintenance course. This makes it extremely competitive inasmuch as the market still distrusts Chilean technology and the only way to gain prestige is to include a guarantee of maintenance.

The success of the Chilean arms industry, both government and private, is perhaps due to its effort to produce simple weapons at low cost for typical local Third World conflicts, without lowering quality. Chilean cluster bombs sell for half the price of those made in France and the latest Cardoen helicopter costs a third of comparable models: $2.6 million.

Rifles and Helmets

The nationally-known PSP makes the famous rifles used in "The Magnificents" and other TV series, such as the 7.62-caliber SIGA MG, in addition to a series of products that also require high technology.

For example, Baselli Brothers, Ltd. makes helmets and flak jackets of kevlar, a very strong nylon, for half price. The General Trading Company, SOGECO, founded in 1941, makes fittings for land and naval arms and towed vehicles for the Armed Forces.

The Navy participates in this area through the Naval Docks and Yards, ASMAR, with a number of attack craft built under French license.

Although it may seem incredible, Chile Khamis Manufacturing even makes parachutes to brake military aircraft, and Geo Cen Ltd. has already participated in laying out the Prat Base landing strip in the Antarctic and the Torquemada Airfield in the Fifth Region. A test bench certifies the reliability of products, but it is the buyer that in the end confirms quality.

However, the picture is not entirely rosy. Chilean engineers lack incentives and support. They seek fewer restrictions in this area, arguing that the system of consultation on every sale runs counter to the principle of efficiency and that the ideal system is the one used by other countries in the world, with the government intervening only when it specifically wants to prohibit a sale.

Despite restrictions, every company tries to diversify and obtain profits from an activity off limits to the private area until 1978. The idea is to move beyond the phase of meeting national needs and into the international arena. Although their contribution to the country's product is currently negligible, they claim it is an undertaking like any other and that those negotiating in other countries should promote it just as they do other export products.

Flowers, apples and...weapons?

[Box, p D3]

War by Mail

"We guarantee the most competitive prices on the market, speedy delivery, postsale guarantees, and technical assistance."

In a fancy advertising flier, Cardoen Industries, Inc. promotes its products on one of the most demanding markets. At first glance, no one would say the product is weapons. The attractive photos, translations into English, and even a summary of the company's history rather remind one of tourist advertising.

And yet, catalogues are now commonly used in the defense area in an effort to demonstrate that it is, in fact, no different from any other.

In addition, ENAER mentions the important role for which it was created: "Developing national capabilities in the aeronautics field and providing the country with prudent, relative independence from international markets." FAMAE claims it now "projects itself as the most modern and efficient in the technological, productive, and commercial spheres, staying in the lead pack with a futuristic vision to meet the challenges of the market."

Mines, Grenades, and Bombs

M-18 antipersonnel mines, which can be guided in terms of the direction and angle at which fragments are projected, are only one of the varieties offered by Cardoen. They can be used by the infantry for defensive positions on bases, highways, or trenches and are also used in setting up ambushes.

At the same time, the M-19 antitank mine is considered ideal for "destroying heavy tanks or any other military vehicle." Their plastic structure and fuse make them undetectable by magnetic systems and they are very easy to operate.

If it is hand grenades one is after, the "Mini" is the lightest, weighing only 317 grams. In general, they are silent when activated, give off no smoke, and the delay is four seconds.

Nor does Cardoen lag behind with respect to bombs. The manual PJ-1 has the special feature that it can turn any civilian plane mobilized in a war emergency into a bomber by virtue of its ease of handling and arming. In contrast, the general purpose bombs are to be used by bombers or fighter planes, and the single-directional rockets, 70 mm wide and 1.35 meters long, can also be used by any helicopter or war plane.

"Native" Armored Vehicles

Bearing the names of different animals, these vehicles of war have made their appearance on the international market. The Orca, 7.84 meters long, 2.5 wide and 2.5 high, can carry up to 16 men with their equipment and top speed is 110 km/hour.

The semi-caterpillar BMS-1 Alacran is a multiple-use vehicle because it can be equipped with the most diverse antitank, antiaircraft, and antipersonnel weapons. It is also suitable for carrying troops and communications and can be used as an ambulance, maintenance, or recovery vehicle. Maximum speed on the road is 70 km/hour.

The 6X6 Pirana is our national industry's unarmed car. Its weight of eight tons and Detroit diesel engine give it the power it needs to operate on all terrains and climb grades of up to 70 degrees. It is completely amphibious.

ENAER's main product is probably the basic T-35 Pillan trainer, designed jointly with Piper Aircraft Corporation although with certain specifications proposed by the FACh. A metal tandem two-seater with an Avco Lycoming IO-540-KIK 300-hp engine, it is built by ENAER from start to finish, that is, from its basic components to final assembly on the line.

This company also offers a complete program of modifications, including improvements made in the self-defense equipment of Hunter fighter-bombers, the conversion of twin-engine Beechcraft 99's into ocean exploration aircraft, and changes made in the Mirage

fighter aircraft, involving the addition of Canard ailerons to the front fuselage to increase maneuverability and improvements in the electronic system.

It also does maintenance work on aircraft, engines, and accessories, produces parts, and manufactures electronic equipment for use on war planes. The latter includes: the Caiquen passive radar detector enabling a plane in flight to pick up signals emitted by fire control radar, the "chaff" launcher system, Eclipse flares to protect the aircraft, and the ITATA electronic intelligence system to locate and measure parameters of transmission of enemy radar.

In addition, the PSP's catalogue, illustrated with sophisticated weaponry, emphasizes its "advanced technology in the manufacture of metal mechanical parts," guns, and survival knives.

Colombia

Gaviria To Discuss Venezuelan Border Issues

PA1403014591 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 14 Mar 91

[Text] President Cesar Gaviria's trip to Venezuela today opens favorable prospects for a prompt solution to the border dispute between the two countries. It was also learned today that the presidents of Colombia and Venezuela will try to reach an agreement on joint procedures against crimes such as drug trafficking.

Police To Create Special Antiterrorist Corps

PA1403194591 Bogota EL TIEMPO in Spanish 10 Mar 91 p 12a

[Text] The police will form a special force made up of 5,500 men to protect oil pipelines, electricity networks, and all those installations that could be targets of terrorist attacks. The establishment of this group is part of a security strategy adopted by the government together with a project to modernize the state intelligence services.

The new force will form detachments that will be located in the areas mostly affected by public order problems and in those areas in which the Simon Bolivar National Guerrilla Coordinating Board (CNG) has carried out over 100 terrorist actions in the last two months, actions that have resulted in 75 deaths and over 200 billion pesos in losses.

Major General Octavio Vargas Silva, police operations director, yesterday announced to EL TIEMPO the creation of these brigades.

Along with strengthening the rural security plans, the police will launch a new surveillance system in the cities with the creation of the Mobile Immediate Attention Commands [CAI]. These commands will replace 50 stationary CAI's that were to be installed in critical areas of Bogota and other cities in the country due to a temporary shortage of personnel. Keeping these units will depend on special revenue coming from the so-called war tax. Each mobile CAI will have a vehicle and three motorcycles. In total, 100 men will form the new security and control units. The system has been successfully implemented in Cali (Valle).

The idea of establishing these mobile units is based on obtaining greater control of the area with a permanent patrolling of the areas where there is a high crime rate.

The special force made up of 5,500 men will operate similarly to the Army mobile brigade to protect the vital installations of the economic infrastructure of the country. Its force can be compared to that of six Army infantry battalions. These units will have solid air and logistical support. "These new units will have networks of intelligence that will allow them to obtain information on the subversive movements in the places where the installations to be protected are located," said one of the officers who will form part of the contingent.

EL TIEMPO learned from other sources that when the harshest phase of the guerrilla actions was experienced in the month of February, the police—which already had some special units in an experimental stage—foiled 20 takeovers and the destruction and looting of towns and garrisons in the departments of Antioquia, Boyaca, Caqueta, Cauca, Cesar, Huila, and Valle del Cauca, as well as Arauca Intendancy.

During the same period of time, 50 persons—including guerrillas, kidnappers, terrorists, and extremists—were captured. It was also reported that 43 criminals were killed in combat in the areas under the Special Armed Corps in the area of Uraba, and in the departments of Boyaca, Cauca, Huila, Norte de Santander, and Valle.

The antiterrorist actions of the units during the same period of time led to the confiscation of 25 explosive charges, in preventing the destruction of towers, bridges, and electricity plants, and in 30 operations involving the seizure of war materiel.

The overall plan to be carried out by these units will be discussed by the National Security Council, one of the main advisory organizations in this matter.

Ecuador

Congress Dismisses Energy, Mines Minister Tamariz

PA1303125991 Paris AFP in Spanish 0349 GMT 13 Mar 91

[Text] Quito, 12 Mar (AFP)—The Ecuadoran Congress dismissed Energy and Mines Minister Diego Tamariz tonight, holding him responsible for the "incorrect and illegal" handling of national petroleum and electrification affairs.

Tamariz was censured by 47 deputies in the voting, while 14 supported him and one abstained.

According to Edelberto Bonilla, president of the Ecuadoran Congress and a socialist, Congress also decided to begin another interpellation against former Finance Minister Jorge Gallardo on 19 March, "so that he may explain the supposed benefits for the people of the economic policies" of President Rodrigo Borja's government.

This was Tamariz' third interpellation. He had been absolved in December 1988 and October 1989 when the government held a comfortable majority at the parliament; however, the government lost that majority in the June 1990 elections.

Tamariz, who had held his office since 10 August 1988, when Borja came to power, is the fourth minister to be dismissed by Congress in the 31 months of social democratic rule.

Guayaquil Council Office Attacked; Event Deplored

PA1303143791 Quito Radio Quito in Spanish 2300 GMT 11 Mar 91

[Text] The office of the Provincial Council of Guayaquil was the target of a gunfire attack this afternoon. Provincial Prefect Carlos Hidalgo Villacis denounced the act, adding that the government cannot respond with bullets to the serious demands of the province. He said that up to this moment 40 persons have been injured and 400 arrested, because the government's repression has been carried out in all cantons. The prefect convoked a general assembly last night, with the participation of all the authorities of the principal port.

[Begin Villacis recording, in progress] ...against the prefect of the province. I do not think that this is how the government should respond. The government cannot respond with bullets to our demands. We are making serious demands for the benefit of the province. Do they intend to kill everyone in the government who does not agree with this government? If this morning it was attorney [words indistinct] condemn what has happened. I escaped by millimeters. I do not think that the government has to respond in this manner, by threatening the lives of citizens and provincial authorities, as you have been able to observe. This does not make any sense.

There is total and absolute repression in the province. In Milagros Canton, the paratroopers were there to repress those citizens who were protesting. The public force was in every canton where there were protests. Tomorrow, it will be attorney Elsa Bucaram who will suffer an attempt on her life. They want to put an end to us. That is the government's way of responding to serious demands. That is why I have called a provincial assembly tomorrow which should be attended by the provincial governor, Mr. Febres Cordero, [words indistinct], and all the politicians who speak so much about defending Guayaquil and the province. I want to see them sitting there tomorrow at 1800.

According to the province regulations, the assembly must be attended by the [words indistinct] the counselors, the mayors, the presidents of the canton councils, the media representatives, the newspaper directors, the chambers of production, and all the organizations who want to join our protest, so that the people will see that we are not making crazy demands. We are raising demands because this province is drowning in misery. That is why we are making demands, but they must not respond with bullets when they can perfectly well listen to our demands during dialogues.

There have been two criminal attacks against the members of the Roldosista party. The strike is also coming to a head. Therefore, I call on all of you, the media, so that you will echo the people's demands. You must be there and learn of our demands. There have been approximately 400 persons arrested. Many have been wounded. A councilman has been detained unjustly. Councilmen should not be detained by the public force, because they boast of immunity. All citizens who are protesting a just cause, however, are being detained. [end recording]

Peru

Government Declares 60-Day Emergency in Ports

PY1503135491 Lima RTP Television Network in Spanish 1100 GMT 15 Mar 91

[Text] The Peruvian Government has declared a 60-day emergency in ports, terminals, and sea, river, and lake wharfs. Army troops will take control of these places. This measure has been adopted in light of serious labor problems that may endanger the import and export of products.

Port workers, who today began a strike to demand a collective pact, disagree with the measure. They have said that they will analyze the government's decision and will then report their viewpoint.

EFE on Emergency Measures

PA1503130491 Madrid EFE in Spanish 0457 GMT 15 Mar 91

[Text] Lima, 14 Mar (EFE)—The Peruvian Government has declared a 60-day emergency in the country's ports and Army troops assumed control of port activities today, official sources have reported.

The government measure allowing the Defense Ministry to take control of ports, terminals, as well as sea, river, and lake wharfs was implemented while a labor union consisting of 5,000 workers throughout the nation holds a 24-hour strike to demand higher wages.

The decree states that the decision was adopted because "serious labor problems" are emerging which continue to obstruct the normal operation of port installations under the supervision of the National Ports Enterprise.

Julio Cuadros, secretary general of the labor union for the enterprise, rejected the government's measure, deeming it unconstitutional, and said that workers would implement countermeasures.

Dante Matellini, president of the aforementioned state enterprise, told the media that the measure was necessary and he justified the military presence by saying that it was a precautionary action.

Health Minister Resigns, Gives No Explanation

PA1503125091 Madrid EFE in Spanish 0428 GMT 15 Mar 91

[Text] Lima, 14 Mar (EFE)—An official source confirmed today that Peruvian Health Minister Carlos Vidal Layseca has resigned from his post, following a seven-week period during which a cholera epidemic in the country has affected over 70,000 people.

Vidal, who has held the post for slightly more than seven months, will be replaced by Dr. Victor Yasimoto, who today visited the Health Ministry, the source added.

Vidal, as well as Carlos Torres, Peru's prime minister and foreign minister, refused to make any statements with regard to this issue at a seminar on cholera at a Lima University.

"I have no statement to make," Torres said. "I have no comment," Vidal said, when both were asked by reporters about the reason for the Health Minister's resignation as the country faces a cholera epidemic of unforeseeable consequences.

The health minister delivered a speech that his top aide in the struggle against cholera, Deputy Health Minister Victor Cubas, said was "equivalent to a farewell."

According to official sources, Vidal resigned because President Fujimori expressly countermanded his campaign against the consumption of raw fish in the form "ceviche," the most popular national dish.

Fujimori on repeated occasions ate raw fish in a campaign to counter international rejection of Peruvian food products prompted by fear of cholera, something that can represent export losses to this country of approximately $300 million, Vidal remarked.

The outgoing minister added that he is being held responsible for the rejection of Peruvian products and the sharp drop in tourism revenue. He justified his campaign against fish on the fact that a majority of low-income Peruvians can only get "ceviche of the poor," prepared with species from coastal waters contaminated with urban sewage that can transmit the cholera.

Vidal reported that he had been asked to describe the epidemic as "an acute diarrhea of unknown origin," but added he "could not hide the truth from the world," chiefly when "the cholera can become endemic in Latin America."

The cholera epidemic was officially confirmed in Peru on 4 February and since then, according to Vidal, 71,811 cases have been diagnosed; of these cases, 19,000 have required hospitalization and 300 persons have died.

Uruguay

Senator Reacts to General Medina's Statements

PY1503022691 Montevideo Radio El Espectador Network in Spanish 1600 GMT 14 Mar 91

[Excerpt] The statements by former Defense Minister Lieutenant General Hugo Medina speak for themselves, Broad Front Senator German Araujo has stated. He said that his coalition will not do anything special in view of Medina's statements, but that the Broad Front will continue struggling to preserve democracy.

[Begin recording] [Araujo] I will express my view. I confess that I would like to listen to those who at some moment said that this man is a democrat, because, well, he was national defense minister during a democratic government and he was considered a man who contributed to the return of democracy, but now he is clearly demonstrating that he always favored a coup. He clearly establishes this when he refers to (?1981). He has even annoyed Pacheco Areco's followers. Well then, this means that even Pacheco Areco favored a coup. This means that Medina has annoyed everyone with his statements.

I will not describe his statements because I think they speak for themselves. [Words indistinct] you could know them right? A man who tries to justify—and it is incredible that he should try to do so, since he said I partly justify it—what happened to Roslik for having studied in the Patricio Lumumba University where guerrillas have studied. This is absurd. It is like saying that Harvard University teaches guerrilla techniques. It is crazy. Thus, he justifies murder. It is incredible that he admitted having given the order to torture. In the same interview he admitted that torture frequently ended in death. [passage indistinct]

Therefore, I think that this man, like other men at some time or other, had an image of a brave man. That was the image created of him. I would like the citizenry to think about this subject. If he is so brave, why did he not say this before the statute of limitations was passed? Why did he not acknowledge these crimes then? Is it brave to acknowledge a crime when he can no longer be sent to prison? This is simply one aspect of this subject one has to consider.

[Reporter] Will the Broad Front take action on Lt. Gen. Medina's declarations?

[Araujo] No, we will continue struggling for democracy, to preserve democracy with total (?dedication). [passage omitted] [end recording]

Venezuela

Perez Welcomes Gaviria; Activities Outlined

PA1503034791 Bogota Radio Cadena Nacional in Spanish 1200 GMT 14 Mar 91

[Passages within quotation marks are recorded]

[Text] President Carlos Andres Perez welcomed President Cesar Gaviria Trujillo at the Maiquetia Airport in Caracas. Perez accompanied him to the hotel where the Colombian president will stay. In addition to the businessmen that came to establish contacts with their Venezuelan counterparts, the Colombian retinue included writer Gabriel Garcia Marquez and scientist Manuel Elquin Patarroyo. President Gaviria had an unscheduled meeting last night with the Venezuelan president.

Today they will meet at noon, after Gaviria visits the Legislative Palace, where he will attend a session of the Venezuelan Congress. Earlier, or approximately at 0915, the Colombian president will place a wreath at the tomb of liberator Simon Bolivar. At approximately 1130, he will visit the Children's Museum. There, the two presidents will sign an agreement on the protection of children. Let us listen to President Gaviria upon his arrival at the Maiquetia Airport.

[Gaviria] "I am extremely happy to be here in this brother nation and to officially visit this country during the mandate of President Carlos Andres Perez. I am certain this will be an excellent opportunity to increase relations between the two countries, to make them grow richer and more productive, to advance toward the process of integration between our two nations, and to keep in mind that Colombia and Venezuela have destiny in common."

In addition, President Carlos Andres Perez commented on the importance of Gaviria's visit to his country.

[Perez] "We are committed to the Andean Pact, which is now yielding fruits, and we are now on the path toward integration. The visit by President Gaviria and a group of his ministers, which begins today and will last until 16 March, will be very important in improving relations in a modern and productive manner."

We also had a talk with Colombian scientist Manuel Elquin Patarroyo, and asked why is he a member of the Colombian retinue.

[Patarroyo] "I am happy to accompany President Gaviria, to make new contacts, and to discuss the work conducted on the malaria vaccine in Venezuela.

[Reporter] "Does your visit mean there will be some exchange?

[Patarroyo] "Certainly; we are establishing joint programs between our two countries, the Andean Pact countries, and [two-second break in reception]. I am very happy to represent Colombia.

[Reporter] "Do you have any official objectives? Are you here in an official capacity?

[Patarroyo] "Yes. We are discussing ways to coordinate some joint projects and vaccination plans."

Also, Presidents Gaviria and Perez will meet at approximately 1150 with a presidential commission that deals with border integration. They will hear the commission's report on the latest agreements reached in the fields of health, education, and customs, and the establishment of a border integration zone. Yesterday, Colombian Commissioners Pedro Gomez Barrero, Cornelio Reyes, and Diego Montana met with their Venezuelan counterparts Reinaldo Leandro Mora, Pompeyo Marquez, and Hilarion Cardozo. They will hold a meeting with the presidents on the progress of the negotiations in four areas: the delimitation of sea and submarine areas, rivers, basins, and border markers.